

## ABSTRACT

SEALE, ELIZABETH KELLEY. *Serving the Poor: A Comparative Case Study of an Urban and a Rural County in North Carolina.* (Under the direction of Michael Schulman and L. Richard Della Fave).

In this dissertation I find that changes associated with welfare policy, federal devolution, and the global economy constrain service providers and communities, but that local factors in the two counties mediate how organizational actors adapt to these challenges. I use global political economic theory, organizational theory, and theories of inequality to investigate how local actors address poverty in their communities. Specifically, I examine through a comparative case study how government and nonprofit service providers in two North Carolina counties cope with challenges that derive from global and national levels as well as local factors to serve the poor. I rely on extensive interviews, observations, and secondary data. I find that officials in the rural county are severely constrained in their ability to address poverty, due to lower organizational capacity and very limited financial and social resources. The implications of poverty policy for rural and urban areas differ. Not only has inequality *within* place been exacerbated by recent national and global trends, but inequality *between* places is aggravated as well. Further, most resources in the urban county are used in ways that reinforce dependence on the low-wage labor market. In both counties services are disciplinary in nature, reflecting the neoliberal environment in which service providers operate. Only in some cases—and only in the urban county—do agencies address the market's inadequacies and general issues of class, race, and gender inequality. In fact, only when there is high organizational capacity, some autonomy, and significant embeddedness in the community, do I find local leaders who are willing to stop regulating the poor as should-be low-wage workers.

Serving the Poor: A Comparative Case Study of an Urban and a Rural County in  
North Carolina

by  
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## DEDICATION

To Mom, Nanny, and Papa Bill

## BIOGRAPHY

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## CHAPTER 1 INTRODUCTION

*[This] is not a great community...with social services and trying to get help and assistance. I've never been in trouble before but I got in trouble in '06 and went to prison and got out in '08. And now social services won't help me at all. [Patricia at the parish] helps me out if she can. She is willing to help. But there is nothing else around here (Loretta, Woods Co.).*

*I appreciate all the help in the world, but right now I just—I would like to find me a full-time job. Find me a full-time job so I can take care of myself, then I don't have to worry about asking anyone to help me (Douglas, Marian Co.).*

### PURPOSE OF RESEARCH

Local activists and service providers find themselves in a “catch-22” situation. Locals who wish to address poverty must rely on either outside funding and the strings attached, or upon community support. However, the withdrawal of federal support, government fiscal crises, global competition for cheap labor, and deindustrialization have undermined the resources and institutions that have traditionally fostered local empowerment (Theodore and Peck 1999; Schmidt 2002; Szreter 2002; DeFilippis 2004; Agnitsch, Flora and Ryan 2006). As a result, local well-being may be diverging according to place-based advantages or disadvantages.

In the United States, policies of devolution and welfare reforms have altered the conditions of local governance and poverty amelioration for urban and rural locales (Brush 2003; Lobao and Hooks 2003; Parisi et al. 2003). This has occurred in a context of economic globalization policies and practices that, through the 1990s at least, favored reliance on the

private market rather than government or public approaches (Peck 2001b; McDonald and Marston 2005; Blau 2006; Jurik 2006; Resich 2006; Schram 2006). My contention is that welfare reform, state devolution, and global economic changes have strained the capacity of local organizations to address poverty and inequality. Organizations in rural and urban locales, however, are strained in different ways and cope with this strain in different ways. This leads to important, varying impacts for the economically disadvantaged and important implications for public policy. My research suggests that the communities that require the most change are the most incapable of producing it on their own.

I use a comparative case study of a rural county and of an urban county in North Carolina to examine the differential impacts of policy on the poor. I concentrate in this dissertation on service provision organizations, specifically local government and nonprofit organizations, and how they cope with economic processes and government restructuring policies that affect their operations. As a reflection of neoliberal policy, the 1996 welfare reform replaced entitled benefits for anyone who is eligible under federal standards with employment requirements and limited federal funding. Agencies also cope with the consequences that global economic restructuring has had on the livelihoods and opportunities of clients in their local labor markets. But how do service providers respond similarly and differently in the urban and rural locations? I emphasize two main issues: the variance of organizational capacity among the organizations and sites, and the different strategies adopted by organizational members in response to global, national, and local challenges. The organizations in this study are caught between two contradictory trends: 1) the trend towards

the concentration and centralization of power with monolithic and global institutions (e.g., Logan and Molotch 1987; McMichael 1996; Strange 2003; Glatzer and Rueschemeyer 2005; Stephens 2005); and 2) the trend towards community-based problem-solving and local control (e.g., Reid 2005; Emery and Flora 2006).

This study contributes to our understanding of how government localization and the increasing reliance on non-governmental organizations exacerbate inequality within and across locales. It addresses the relative power and control that local communities can maintain in the face of global social and economic restructuring (see Dewees, Lobao, and Swanson 2003; DeFilippis 2004; Sandel 1996). While many decisions that affect the well-being of local areas are made by external actors, federal and state government policy also emphasize local autonomy and community self-help. But despite national policymakers' rhetoric of community empowerment and localism, recent policies intentionally withdraw federal investment from communities and leave localities in open competition with one another for resources and private investments. I explore these paradoxes of devolution/local autonomy and community vulnerability. The implications of where we place the responsibility for local well-being, be it at the national, county, or individual level, are important to explore.

## DEVELOPMENT OF RESEARCH PROJECT

This study emerges from my previous studies in welfare reform and interviews with informants in Departments of Social Services throughout the state of North Carolina. I

noticed that personnel in both rural and urban counties mentioned many of the same issues, such as challenges in meeting bureaucratic requirements, lack of mental health services for clients, and housing and transportation problems. Yet, the character of their concerns differed. The rural county personnel tended to have fewer resources at their disposal and seemed close to despair. As I considered conducting case studies of county service providers, this urban-rural puzzle preoccupied me. The intricacies and complexities of untangling service provision in a local area warranted the use of an in-depth comparative case study.

The urban and rural counties selected for this study are drastically different in terms of resource availability and organizational capacity. But it was not immediately clear whether one set of county organizations is more effective at serving their clientele. In examining local capacity and organizational strategies, I find that although external factors are very important, there is also a mediating role for local factors such as social capital, race relations, the local labor market, and the local tax/resource base. Many of these factors differ for the rural and urban cases. I also began to consider how organizational decisions about coordinating with other agencies are part of wider survival strategies employed by agency personnel. I explore two main sets of research questions in this dissertation:

- 1) How have recent welfare reforms affected the capacity of human service organizations to respond to poverty? In turn, how does organizational capacity impact the ability of people in the two counties to respond to recent challenges and opportunities?
- 2) What strategies do organizational actors adopt to help the organization survive, and what strategies do they adopt to help the poor survive? What

inter-sectoral arrangements exist in these counties, and how do these arrangements help organizations cope with the challenges of welfare reform? How do the coping strategies affect their services?

I use a multi-method approach in the dissertation research. I conducted interviews with organizational and government informants to uncover the problems they perceive and how they address these issues. I rely on observational data to detail the daily procedures and challenges of service providers. And I use archival and second-hand data to supplement my knowledge of how local and extralocal factors are important for organizations in these counties. All research protocols were approved by the North Carolina State University Institutional Review Board, and all county and informant names are fictionalized.

## FINDINGS AND CONTRIBUTIONS

The organizations in this study struggle with challenges such as increased demand for services and reduced funding or increased competition for funding. They must grapple with the issue of legitimacy in an institutional and ideological environment that does not favor significant redistribution to the poor. The issue of race is implicated, although in slightly different ways in the two counties. Undocumented immigrants have restricted service options in the urban county (which I call *Marian County*), due in part to a negative political climate for immigrants (and particularly for Latino immigrants). In the rural county (*Woods County*), racial segregation and prejudice contribute to the muted concern for assisting the poor and a sense of political apathy. Recent welfare reforms and devolution policies also present challenges related to government requirements and reduced funding. Organizational

strategies reflect these challenges in ways that are related to the level of organizational capacity, including number of staff and presence of ties within and outside the county.

Overall, agencies in both counties concentrate on two methods for serving the poor: providing some basic services to ease hunger and homelessness, and reintegrating the poor into the low-wage workforce. Some agencies respond by adopting punitive and/or exclusive policies to inhibit over-usage of services and suppress the level of redistribution. As employment remains a precarious means for survival among the poor, inequality within these locales is reinforced through the reduction in social services. A bureaucratic process is constructed whereby service providers are able to restrict the use of services in terms of usage frequency and number of clientele. In addition, a significant population of undocumented immigrants in the urban county represents a growing challenge to local government and service providers, and the services available to this population are seriously constrained. Considering, as neo-institutionalists argue, that organizations must maintain legitimacy, the punitive ideology behind welfare reform, neoliberal precepts, and increases in demand encourage some organizations to respond by trying to sort the “deserving” poor from the “undeserving” poor. This functions not only to legitimate the organization because funds are used in conformity to mainstream notions about the poor, but also addresses the problem of insufficient capacity by conserving resources. However, this leads to inequality in service access among the low-income population, disadvantaging, for instance, undocumented persons, the homeless, and those with a criminal record. It also reinforces private sector work expectations for the poor, which includes participation in the low-wage workforce.



However, there are more resources and inventive efforts to ease poverty in the urban county than in the rural county. As Loretta explains in the introductory quote above, there are few places to which the rural county residents can turn in crisis, and these organizations are restricted in their ability to help clients. A few high-capacity organizations in the urban county—none of which are present in the rural county—are able to create empowerment programs and policies for serving the poor. Further, basic needs provision is more extensive in the urban county than in the rural county.

In addition, levels of social capital in the counties differ, with important implications for community organizing around poverty. As Szreter (2002) argues, bridging and democratic linking forms of social capital are realistic only in the context of an engaged and politically-supported state and local participatory government involvement. In the urban county, grassroots organizations foster vertical and horizontal ties between elements of the community. In the rural county, these vertical ties or bridging forms of social capital are notably absent. Although the urban organizers have limited influence, they are able to demand some concessions from governing sectors on the behalf of poorer segments of the county. In the rural county, the poor are largely powerless to make demands on the local government or other organizations, and locals concerned about poverty are limited in their use of networks. Consequently, inequality is reinforced between places as well.

Although urban and rural service providers are often faced with similar problems and challenges in terms of clientele needs, the ways in which they cope with these issues differ. Locals in the rural county in this study are less able to respond to challenges due to lower

capacity in the form of financial, economic, organizational, and social resources. Locals in the urban county have greater resources to address poverty. However, because the causes of poverty are embedded deep in political-economic contradictions at multiple levels, it is difficult even for urban locals to alleviate the conditions of poverty. The strategies agencies adopt to cope with environmental factors tend to regulate the poor and restrict services instead of providing a universal safety-net. Neoliberal policies and trends, including national-to-local devolution, social safety-net rollbacks with workfare, deindustrialization, privatization, and heightened competition for funding and economic growth, exacerbate inequality in living conditions between and within locales. These cases suggest that few place-based communities are likely to maintain the levels of social capital and organizational capacity needed to adequately address contemporary global challenges. In an era in which we are faced with worldwide problems such as poverty, environmental degradation, and violent conflict, but in which many citizens are highly distrustful of a powerful, centralized national government, we should be mindful of how local officials can truly be empowered, and what problems they are capable of solving.

## CHAPTER 2

### LITERATURE REVIEW

In examining the issue of how local organizations address poverty, there are several unresolved problems to address. Primarily, how do macro-level factors impact organizations in rural and urban areas differently? In this chapter I incorporate theoretical and empirical work to discuss what we know about the context in which service provision organizations operate. I begin by examining the wider context in which service provision to the poor occurs, taking a global political economy approach and drawing on theories by David Harvey and other political economists who discuss class and neoliberalism. Then I turn to examine the research on welfare reform and its impact upon different populations in the U.S. I consider the rural and urban literature in turn, discussing local autonomy and studies of space and place. Finally, I take it down one more level of analysis, to organizations. I discuss organizational theories and how they apply to nonprofit and government service providers and the environments in which they operate. By considering the larger organizational environment for service providers, I return to the higher level of analysis—the global and national environment. I have two purposes in this chapter. First, I argue that there are neoliberal pressures on organizations and their clients that must be considered in order to understand how locals can address poverty. Second, I highlight two major questions that need to be addressed: Does local autonomy operate differently across place, and how do organizations differentially respond to challenges that are global, national, and local in

scope? In examining these questions, this dissertation contributes to the literature by comparing rural and urban service provision organizations and the factors that impact them.

## GLOBALIZATION AND NEOLIBERAL POLICIES

### *Global Economic Changes*

As places and people become more integrated into the global capitalist economy, several processes of economic restructuring related to the heightened mobility of capital and labor hinder the eradication of poverty. One is the changing nature of work, arising from technological development and fragmented production styles, making employment a less likely route out of poverty, even in wealthier countries. As styles of production continue to serve flexible accumulation, income inequality has increased, along with job insecurity and the proliferation of low-wage jobs. De-unionization and erosion of workers' rights in some advanced capitalist countries have exacerbated these trends. Thus, employment per se is less likely to provide a sustainable route out of poverty or upward mobility, particularly for single mothers (O'Connor 2000; Goldsmith and Blakely 1992; Albelda and Withorn 2002).

The second but related process derives from capitalists' intensified need to be competitive, leading to pressures on nation-states and local governments to deregulate, reduce taxes, privatize, and otherwise cut social spending that might alleviate poverty and inequality. Some argue that the mobility of capital has given corporations the power to demand concessions from states and societies (Harrison and Bluestone 1988; Lake 1997). In the mid-twentieth century, American companies were buffered from international

competition and America could afford generous social spending. Since then, changes in the world economy increased competition among producers tremendously (Della Fave 2008). For instance, Europe and Japan recovered from World War II and fostered production innovation. Increased competition drove down rates of profit, leading employers to exert downward pressure on wages (among other tactics) in order to improve profit rates, remain competitive, and attract investment (Della Fave 2008). Harvey (2003) argues that when U.S. dominance was threatened in production activities, the U.S. asserted itself in finance through trade liberalization (see also Useem 1996). Therefore the U.S. actually undermined its competitiveness in production activities, although benefiting from cheaper goods and relatively high levels of consumerism. After all, low profits could be supplemented by higher profits abroad (Harvey 2003; Portes and Walton 1981). The continuous expansion for profit-seeking has implications for different localities.

For one, the effects of these global economic changes are not spread out evenly—uneven development is a natural part of capitalism (see Harvey 1987). As capitalists seek a “spatial fix” to the problem of over-accumulation, they seek evermore mobility or flexibility for capital (Molotch 1976; Logan and Molotch 1987; Harvey 1987, 2005). They seek out new markets for investment to lower costs, which results in a strange landscape of investment and disinvestment. Factories in the twentieth century were moved from the iron belt, to the sunbelt, then farther south into the U.S. Deep South and Mexico/Central America. Suburbanization is also viewed as part of a spatial fix that has increased urban poverty. However, the creation of shopping centers and other places of consumption have been built

in more remote areas as of late, transforming these spaces and creating more low-wage service work. With corporate and sector differentiation, important financial and technical administrative functions are located in more privileged centers of global economic activity, like New York City or Los Angeles (Goldsmith and Blakely 1992; Sassen 1998; Sassen 2009). Thus, highly-paid jobs in the financial and information industries are more likely to be created in larger “global cities,” with fewer such jobs filled by local workers in smaller cities and rural areas (Sassen 1998). Across places, however, the creation of low-wage service work provides less desirable employment (Tickamyer and Duncan 1990; Blinder 2006; Morgen et al. 2006). Economically marginal people and places who are unable to compete internationally suffer the most from negative effects of globalization as they are left to fend for themselves (Kodras 1997a).

A third factor is international migration, or the transnational mobility of labor. Persistent social conflicts and the integration of more countries and peoples into wage labor markets have sustained flows of people across national borders. By virtue of their lesser status as non-citizens and other vulnerabilities, these immigrants constitute another challenge for the provision of welfare on a global scale. Due to controversial political factors, many states do not accept responsibility for the welfare of undocumented immigrants (Sassen 2002). Further, the influx of immigrants has contributed to the spread of native working-class conservatism across the U.S. and Europe, and deepened the virulence of nativism in the Eastern countries as well (Lai 2008; Meuleman, Davidov, and Billiet 2009). Nonprofit organizations may often inherit the challenges associated with serving this heterogeneous

population (Richmond and Shields 2005). In sum, global-level processes such as the changes in production and employment that increase poverty; heightened capital mobility in response to international competition; and international immigration, all strain societies' abilities to procure widespread social welfare, while making it more important to do so.

It is important to note before I go much further, however, that globalization is not synonymous with neoliberalization. Although I focus in this chapter mostly on economic globalization, and even more specifically those forms of economic globalization that have developed in tandem with neoliberal policies and practices, globalization per se is a broader construct. The proper definition of globalization no doubt involves reference to the interrelatedness of people, culture, commodities, and information, along with the technology and infrastructure that support this interrelatedness by compressing time and space (Beckford 2003; Turner 2010). Global neoliberalism, therefore, may be a reaction to globalization, or a particular outcome made possible or intensified by increasing interrelatedness of economies, technological advances, and the influence of international or multinational organizations. Further, as some scholars like Ulrich Beck (1992) have argued, the sophisticated nation-state takes on a new important role in this globalizing world as would-be manager of new risks associated with this complex interdependence. But as different processes, including immigration, contribute to economic insecurity among a larger number of people, are governments compensating for the market's inability to provide for everyone?

## *Neoliberalism and Welfare*

Actually, as these changes have contributed to poverty in advanced capitalist nations, U.S. policy and welfare state restructuring have eroded protections from the market for the poor and their communities (Zhong, Clark and Sassen 2007; Johnson, Burtney, and Ghorm 2008; Massey 2008). Organizations that serve the poor contend with neoliberal policies as well as economic changes. Since the 1960s, embedded liberalism, the reduction of risks associated with a free market through government means, has no longer sufficed to prevent lower classes from threatening the power of elites, according to Harvey (2005). With heightened global market competition, free market ideology has been enthusiastically supported by industries and capitalists attempting to respond to these conditions.

Government constraints on profit-seeking and profit-making activities have been under attack for several decades, including taxes, regulations, and policies that support labor, restrict trade, or the movement of production. The rollback of state regulations and social supports that do occur are referred to as “neoliberal” practices, based on the idea that the free market best serves the needs of citizens. Indeed, financial deregulation, anti-inflationary measures, and trickle-down economic policies became favored by Republicans in response to inflation caused by the 1970s oil crisis and the breakdown of Keynesian policies. These political reforms were supported by the work of economists and political philosophers in the twentieth century such as Hayek and Friedman. In contrast to Keynesian economics of mid-century, these scholars emphasized the need to prevent inflation, reduced government interference, and reliance on the competitive market system (Shearmur 2006; Skidelsky 2006; Rayack



1987). Hayek and Friedman had very direct impacts on the policies instituted by Margaret Thatcher and Ronald Reagan, respectively (Feser 2006; Rayack 1987). Their principles have not always been attended to consistently; Harvey (2005) argues they were ignored when they conflicted with the interests of certain elites (see also Rayack 1987).<sup>1</sup> But the basic idea that there is no better way to organize the social economy than through a competitive market system with limited government interference (and few government-provided services) has become a guiding *centrist* principle for those on both the left and right political continuum (Bourdieu 1998; Maskovsky 2001b). Indeed, during the Clinton Presidential years, before massive debt and stock-market deregulation caught up to us, neoliberal policies appeared to be working (see Brenner 2002). In its hegemony, neoliberalism impacts the expectations for and legitimacy of a range of organizations, including nonprofit agencies (Domhoff 2009).

In the mid-1970s, the idea that a mixed economy and the welfare state best promoted economic growth came under increased fire. Multinational financial institutions, notably the World Bank and International Monetary Fund (IMF), increased in influence with the debt restructuring of third world countries during the debt crisis (Harvey 2005). These institutions then imposed structural adjustment strategies on recipient countries, forcing them to institute more flexible labor markets, privatize and cut social spending (Harvey 2005). The IMF was more or less purged of Keynesian influence in 1982, and thereafter the IMF and World Bank were neoliberal in practice, instituting structural adjustments in return for debt rescheduling, more flexible labor markets, and privatization (Harvey 2005; see also Ruckert 2007 for an

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<sup>1</sup> One example is Reagan's departure from Friedman's international free trade prescriptions in his protectionist measures.

analysis of the World Bank's poverty reduction efforts). Across the globe, governments have "adjusted" their social policies as they adapt national economy regimes to promote investment, "flexibility," and competitiveness (Pierson 2006).

Thus, welfare reforms under U.S. Presidents Reagan, Clinton, and Bush, Jr. are part of a package of neoliberal restructuring of government activities. These reforms emphasize participation in the market as a route out of poverty for former and current welfare participants, the eradication of dependence on government aid, and turning to civil society for addressing local needs. The moves toward decreased federal responsibility and increased local responsibility for public services fall in this camp as well, and this devolution has occurred in the areas of public services and local economic development in particular (Flora and Flora 2008). Across many advanced capitalist nations neoliberal rhetoric and practices have gained political currency. Some scholars link these reactions to the forces of production in the global economy (Howard and King 2004). Others insist that global economic changes do not impel these policies, but rather policymakers believe or are able to convince others that globalization impels these policies (Piven 2002; Schram 2006).

Whether or not such policies are "impelled", we can examine their manifestations and actual impacts. Workfare policies focused on making work pay for former welfare recipients have been constructed in recent decades throughout Western capitalist nations, but particularly in the U.S. and U.K. Quadagno and Street (2006) suggest that the evidence points to the potential transformation of welfare states into "enabling" states that emphasize work promotion, privatized benefits and services, and targeting the neediest. In the U.S., the

1996 Personal Responsibility and Work Opportunity Reconciliation Act transformed aid to poor families (formerly AFDC) into the “workfare” program Temporary Aid to Needy Families (TANF). This program is geared toward regulating poor mothers’ behavior in its emphasis on sanctions, time limits, community service, eliminating dependency, and work programs. Other nations such as the United Kingdom, Australia, and New Zealand have created similar programs involving devolution and “workfare” – requiring clients to engage in certain work activities. Market-based models of poverty alleviation aim to integrate the poor into the market (Goode and Maskovsky 2001; DeVault 2008; see also Kirby 2002 on the World Bank model). Under this ideology, the “deserving” poor are those who embrace entrepreneurship, volunteerism, consumerism, and self-help (Goode and Maskovsky 2001). This ideology is a softer justification for the reluctance of primarily white working class and middle class Americans to pay higher taxes—taxes that supposedly support the nonworking poor or lower class blacks who already have an advantage in anti-discrimination policies (see Edsall and Edsall 1992 on how these racially-influenced sentiments influenced elections, leading to the rise of the GOP and anti-government agendas).

Policymakers in the United Kingdom and the United States have also popularized the involvement of the third sector, particularly human service nonprofit organizations, in providing for the poor in the stead of government. Associated primarily with Tony Blair, Prime Minister of the United Kingdom from 1997 through 2007, this welfare model has been promoted internationally, particularly by policymakers who see this model as a win-win solution to problems posed by economic globalization. By downsizing central government,

increasing reliance on nonprofit organizations, advocating for local control, and removing disincentives to employment, policymakers supposedly increase national competitiveness in the labor market while “empowering” communities (Rose 2000).

The 1996 PRWORA was not the only U.S. policy that involved the shifting of responsibilities downward from federal to state and local governments and to the private sector (Staeheli, Kodras, and Flint 1997). The mid-1990s was characterized by a reduction in federal responsibility in general, including the elimination of programs and dismantling of regulations. Staeheli et al. note that: “Current efforts to alter the federal system through devolution, privatization, and dismantling involve a geographic rearrangement of the benefits and burdens conferred by government and thus a redistribution of power and resources among places” (1997: xiii). In the Republican Congress’s *Contract with America*, they described their intentions to roll back government, “enhance economic liberty”, and break down “unnecessary barriers to entry created by regulations, statutes, and judicial decisions” (Gillespie and Schellhaus 1994: 126-128). This was an extension of the market-oriented policies that arose in the wake of the dismantling of the Keynesian approach from the 1960s through the 1980s. White backlash against social welfare and the Democrats’ civil rights programs, manifesting in a revolt against taxes at the same time that inflation threatened the Keynesian social programs and international trade diminished working class protections, strengthened the GOP’s market-oriented agenda (Edsall and Edsall 1992). Flint (1997) argues that this state restructuring serves to strengthen the role of capital in state, civil society, and capital relations, despite the fact that such changes are represented as

strengthening civil society. Wolpert (1997), for instance, demonstrates that federal cutbacks weaken the civic sector, questioning the ability of the sector to absorb added responsibility in the context of rising inequality and place-based differences in capacity. Thus, government *and* nonprofit service providers are hit doubly by devolution and welfare reform.

Some scholars describe the demise of the state under globalizing forces (Strange 2003; Bonanno 2008), whereas others suggest globalization has shifted, not eliminated, the role of the state (O’Riain 2000; Hirst and Thompson 2003). For example, researchers question the inevitable downward pressure on transfer payments and social services presented by global forces, suggesting that there is no ‘race to the bottom’ in terms of welfare state generosity (Pierson 2000; Randeria 2003). Peck (2001) argues that contrary to what neoliberals assert, the state is not powerless under globalization, as it steps up its role in many areas, such as workfare programs, immigration controls, incarceration and crime control, labor market flexibility initiatives, and major multibillion dollar financial bail-outs, while retrenching in other areas, like collective service delivery. According to this view, “globalization” acts as a justification for policy makers to defer to more powerful special interests.

Indeed, policymakers in many advanced capitalist countries have come to favor the privatization of social services, reduced transfer payments, and work incentives (Dumont 1996; Korpi and Palme 2003) at a time when the security of employment has been undermined by competition. Recent welfare reforms can be seen as proactive attempts by state decision-makers to balance the conflicting functions of legitimation and assisting

accumulation (Habermas 1975; Lake 1997) by making welfare policy more consistent with capitalists' interests (e.g., a trained, docile labor force). The details of the reforms neatly dovetail with neoliberal economic policy at the global and national levels that require less government, a flexible labor force, and the individual absorption of risk (see Cope 1997). In fact, empirical research reveals that welfare reform has only partially benefited the poor, more often than not serving the interests of employers.<sup>2</sup> The increased availability of low-wage workers is clearly a bigger boon for employers, consumers, and the state than it is for the poor.

*Studies of Aggregate Effects of Welfare Reform: Class, Gender, and Race*

Overall, empirical research suggests that welfare reform is severely limited in its ability to help the poor (Piven et al. 2002; Hays 2003; Pearson 2007; Tickamyer et al. 2007). Moreover, certain groups of people are additionally disadvantaged—primarily women of color. Single mothers and non-white women face additional barriers in the workforce, which are often exacerbated in slack labor markets. Thus, the focus on employment is problematic for several reasons, and reinforces traditional forms of inequality. Service providers and community organizations must deal with class, gender, and race inequalities in addressing poverty.

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<sup>2</sup> Contrary to neoliberal thought that smaller and less generous government serves the general population best, Lobao and Hooks (2003) find that in fact higher federal employment and transfer payments increased median income and income equality across counties in the U.S. in both the 1970s and the 1980s. Further, state and local employment had a substantially less positive effect on well-being than did federal employment. Brady (2003) also found that the size of the state among Western nations has a large negative effect on poverty after taxes and transfers.

Generally speaking, economic growth has not created enough living-wage jobs, even with the Earned Income Tax Credit (Grogger and Karoly 2005). The poor who find employment are able at times to piece together enough to make it out of poverty, but in the low-wage workforce, solid middle-class status is difficult to attain, particularly for single-parent households and for those with other barriers (Blank 1997; Hays 2003; Morgen et al. 2006; Tickamyer et al. 2007; Solomon 2008; Scott and London 2008). As Theodore and Peck (1999) point out, the success of local workfare programs is contingent upon local labor markets. The quantity and quality of jobs in an area are critical factors for the variance in poverty rates (Bluestone and Harrison 1982; Tomaskovic-Devey 1987). Instead of providing higher education as a route out of poverty, federal and state welfare policies force caseworkers and recipients to rely upon employment in low-skill sectors.<sup>3</sup> Although barriers to gaining employment such as child care, transportation, and domestic violence may be addressed even for those not receiving cash assistance, the difficulty of supporting a family on minimum wage is almost never addressed in legislation or policies (Cope 1997; Albelda and Withorn 2002). On the other hand, research suggests that workers are generally better off than non-workers in this post-reform era (Tickamyer et al. 2007). Low-income workers continue to rely upon various strategies, and may obtain intangible benefits from participation in the workforce, but nonetheless remain poor and highly vulnerable

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<sup>3</sup> Evidently, a program defined as successful tailors training to the needs of employers or prospective employers, as demonstrated by two counties in Kentucky (Pickering et al. 2006). Here, new employers, including a prison, a factory, and a mall, prompted specialized training to prepare welfare workers for these jobs. The irony is that whereas providing higher education can pull individuals out of poverty, it may not work for a large segment of the poor if there are not enough jobs to employ a newly educated workforce.

(Tickamyer et al. 2007). Not incidentally, some argue, welfare retrenchment undermines workers' ability to ask for better working conditions and contributes to worker vulnerability (Ehrenreich 2002; Albelda and Withorn 2002; Morgen and Maskovsky 2003). Many survival strategies used in lieu of state support, including reliance on debt, the private safety net of family and friends, and frequent changing of jobs and residences, are not sustainable in the long term for individuals or society (Seefeldt 2008).

Indeed, capitalism is driven by growth and accumulation, not by uplifting the poor. Neoliberalism, as unregulated capitalism, by definition entails economic marginalization of fairly large numbers of people with limited assistance and few alternatives to market participation. Research suggests that in the U.S., primarily women and people of color fill those slots.

With decreased public support, many women now have to work a triple shift of formal wage labor, housework, and informal work (Mullings 2001; see also Solomon 2008). They have had to make up for cutbacks in education, housing childcare services, health care, food stamps, and cash assistance. Susser (1997) points to the changing expectations for women with children and the role of the state in supporting dependants. The right to stay home and rear your children is now reserved for well-off women. Poor women are pushed into the low-wage workforce with inadequate child support (TANF entailed a less than 25% increase in funding for childcare, according to Susser 1997). When the state withdraws its assistance to the poor, women often bear the brunt of the hardship (Wiggins et al. 2002; see also Solomon 2008 on the myriad responsibilities of low-income women).



Impacts also differ by racial/ethnic background. Historically, U.S. welfare policy has been deeply racist, initially excluding non-white women, with later reforms based on the stigmatizing and stereotyping of black recipients in the media after the civil rights movement helped extend coverage to black women (Quadagno 1994). Today, ground level administration tends to reinforce racial inequality (Brush 2003; Pickering et al. 2006; Morgen and Maskovsky 2003; Zylan and Soule 2000; Soss et al. 2001). Schram et al. (2009) found that caseworkers judge black and Latina clients more harshly than white clients in sanctioning decisions. Similarly, Deeb-Sossa and Bickham Mendez (2008) find that social workers have denied services to Latina women they suspected to be “illegal” immigrants. Native American reservations generally have few services that are not provided by the federal government, since there is no tax base for tribal governments to tap into and many reservations are remotely-located due to the historical policy of giving Natives the most marginal scraps of land (Kodras 1997a). As a result, families living on reservations are extremely vulnerable to federal cutbacks. Furthermore, immigrants are banned from the use of many services, despite their vulnerability to poverty, along with convicted drug felons who are also disproportionately of color. Thus, regardless of policy intent, women of color have, in various ways, taken the brunt of PRWORA’s punitive and unequal effects (Brush 2003).

### *Local Autonomy*

Economic restructuring combined with policies of devolution, welfare retrenchment, and privatization therefore has clear, negative impacts on low-income communities, and particularly for certain demographic groups (i.e., immigrants, racial minorities, and working class women). What challenges do local service providers and activists face, and how do organizations in different places cope with these realities? In other words, while it is clear that global economic restructuring and neoliberalism have profound implications, are local actors willing and able to counter these forces? This question has additional import because of the policy trend of devolving community responsibility to the local level.

Part of the rationale for PRWORA was the idea that more localized forms of control of welfare would be more effective and democratic (Blank 1997). Consequently, the issue of how to address poverty is left more or less up to the states and local communities to deal with as they can. States are given block grants and the mandate to create their own system of administering services and funds within certain limits to low-income families, and many states (including North Carolina) pass much of this responsibility onto counties. However, reduced social spending in the U.S. has also put state and local governments in financial straits.

How much control over community spaces and functions currently resides at the local level? With global economic restructuring, devolution, and the rollback of government spending and regulation, some suggest that local decision-making has paradoxically been undermined (Rural Sociological Society 1993; Kodras 1997b; Lobao and Kraybill 2005;

Flora and Flora 2008). Local places have distinct institutional contexts involving different economic trajectories, political practices, and social relations, which shape capacity of local government and nonprofit organizations (Kodras 1997b). Policy at different levels has shifted from addressing inequality (including regional inequality) to creating an attractive environment for capital, which involves deregulation and cuts in social spending. Further, the national government no longer makes itself responsible for place-based prosperity, which exacerbates location differences in fiscal capacity and hence vulnerability to market forces (Rural Sociological Society 1993; Staeheli et al. 1997). Therefore, community autonomy or control may be threatened, at least for some communities. Federal restructuring that, according to its supporters, was supposed to enhance local autonomy may provide opportunities for some while disadvantaging others.

The development of community social capital is a recently popularized solution proposed among scholars, foundations, and multinational organizations like the World Bank (Warner 1999). Lang and Hornburg of the Fannie Mae Foundation define social capital as “the stocks of social trust, norms, and networks that people can draw upon in order to solve common problems” (1998:4). They propose that strengthening social capital in distressed communities can help them deal with the burdens of devolution. Other scholars, notably Putnam (1993, 2000), argue that strong and/or broad social relationships can aid a community in harnessing local and extra-local resources (see also Agnitsch, Flora, and Ryan 2006). Whereas Bourdieu (1986) was concerned with how social capital is used by elites for self-replication, Coleman (1990) demonstrates that social capital can be an important

resource for non-elites. The forms of capital he identifies include obligations and expectations, information potential, norms and effective sanctions, authority relations, appropriable social organization, and intentional organization.

However, as I discuss below, social capital, like other resources, is certainly not equally distributed (or practiced) across space (Flora and Flora 2008). Furthermore, some scholars argue that although social capital can be effective, it depends on other factors for social change (Skocpol 1996; Warner 1999; Lopez and Stack 2001; Szreter 2002). What difference can social capital make in different contexts, including rural and urban areas? I turn next to discuss the different contexts of rural and urban areas, and propose that we examine how, under a neoliberal regime, the ability to address local problems differ across place.

## LOCAL AREAS: RURAL AND URBAN ISSUES

Devolution combined with federal cutbacks (i.e. welfare state restructuring) has serious implications for different types of localities. The highly variable capacity of local governments becomes a crucial factor, reinforcing place-based inequalities. Some research suggests that poverty differs significantly in urban and rural areas since it is tied to different economic, political, and social processes (Tickamyer and Duncan 1990; Gilbert 1982; Bradshaw 2007; see also Anderson, Schulman, and Wood 2000). Rural counties may have more difficulty coping with devolution, due to population size and composition factors, narrow economic structure, and local capacity (Lobao and Kraybill 2005). Lobao (2004) in

fact argues that place serves as a basis for inequality (see also Lichter and Jayakody 2002; Parisi et al. 2003) and advocates for comparative research between urban and rural areas. By comparing the effects of welfare state restructuring on a rural and an urban county, this dissertation contributes to our understanding of how place is implicated in stratification.

### *Urban Locales*

Urban poverty understandably takes center stage in much poverty research and debate, as we are increasingly urbanized and most of the poor (about two-thirds) do reside in cities. Urban poverty in the United States is concentrated in the largest cities, particularly those with the highest proportion of minorities. Researchers of urban poverty describe very poor conditions that involve the concentration of poverty, lack of access to jobs, higher cost of living, deindustrialization, concentration of minorities, racial segregation, and urban disinvestment (Wilson 1987; Massey, Gross, and Shibuya 1994; Venkatesh 2000). William Julius Wilson's work in *The Truly Disadvantaged* (1987) was very influential, stressing changes in economic structure and social composition of the inner city, especially for urban blacks. He saw the removal of manufacturing jobs and lack of formal education and credentials as detrimental to inner city residents. Primarily, he drew attention to the importance of social isolation and concentration effects for sustaining poor conditions in the black ghetto.<sup>4</sup>

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<sup>4</sup> Wilson and others viewed the concentration of poverty as particularly devastating, especially as residents became increasingly isolated from job networks, role models, mainstream institutions, and mainstream behaviors (see also Massey and Denton 1993 on segregation). However, his concept of the underclass has been

Suburbanization is seen as a major historical contributor to urban problems. It certainly intensified racial and class inequality. Suburbanization was directly endorsed by federal policy, including mortgage policy, interstate highway acts, the GI Bill, etc., for white men and their families (as discussed by Wilson 1996; O'Connor 2000; Goode and Maskovsky 2001; see also Kleniewski 2006 for an overview of urban issues). Supermarkets, shopping malls, and manufacturing industries followed, and throughout the 1970s and 1980s, suburbs became the main source of employment for the majority of metropolises (Goldsmith and Blakely 1992; Goode and Maskovsky 2001). In the 1960's, with suburbanization and the disinvestment in cities, urban renewal projects (i.e., gentrification) began, just as influential culture of poverty theories and "underclass" debates took shape (Goode and Maskovsky 2001). Now, Goode and Maskovsky (2001) argue, the new local development model is based on trickle-down strategies like privatization, marketization, and consumerism.

Polarization between the urban poor and the urban and suburban elite has been exacerbated by cities' efforts to compete over position in the international division of labor, as centers of consumption, for control and command functions especially in finance and administration, and over government redistributions (Harvey 1987; Eisinger 2000; Weber 2001). Local officials and developers redesign the city and/or the downtown to appeal to visitors and tourists, suburbanites and corporations in an effort to draw in consumer dollars and stimulate economic growth (Eisinger 2000; Harvey 1987). Some scholars refer to the

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criticized for its emphasis on the behavior of the poor, and for deemphasizing the role of discrimination and systematic racism (Jencks 1992). For instance, researchers point out that even in times of economic growth the relative size of the "underclass" has increased (Schill 1994). Further, such urban conditions are products not only of changes in the national economy with globalization, but also national policies (Jencks 1992).

growth machine phenomenon, in which the interests of different elite sectors in the city, including rentiers, local politicians, commercial capitalists, and so on, merge to favor continual urban growth at all costs (Molotch 1976). Cities compete to attract businesses that also must remain competitive, partly through relocation to favorable locations (Harvey 1987). This intensified competition results in, not only more competition, but socially wasteful economic development that does not benefit the poor (Harvey 1987; Eisinger 2000). For example, Maskovsky (2001a) and Fraser et al. (2003) use case studies to demonstrate how improving urban neighborhoods now entails creating zones for business investment and other neoliberal practices that tend to sidestep the issue of improving the lives of impoverished residents. For instance, when neighborhoods are improved through creation of better housing, poor residents can be priced out of the neighborhood, essentially moving them elsewhere (Fraser et al. 2003; Fraser and Kick 2007).

### *Rural Locales*

Rural areas have a disproportionate share of the poor (Tickamyer and Duncan 1990). The rural poor are more likely to be white, elderly, and in two-parent households than the urban poor. Yet, those who make up much of the poor in the city, including racial minorities, single mothers, and children, are even more likely to be poor if they live in a rural area (Tickamyer and Duncan 1990; RSS 1993; Jensen 2006). The rural poor are more likely to be the working poor, despite the fact that there are greater proportions of those who are unable to work, like the elderly (RSS 1993). Researchers of rural poverty emphasize obstacles such

as transportation, weak labor markets, land inequality, dependency, poor education and low skills, and dependence on social capital (Pickering et al 2006; Tickamyer and Duncan 1990; Fitchen 1981). These problems are related to the lack of proper infrastructure and narrow economic structure that characterize remote rural areas in particular. Rural residents have adapted to insecure work conditions (e.g., seasonal work, plant relocation, agricultural decline) by combining different kinds of work and sometimes migrating to urban areas (Fitchen 1981; RSS 1993). Research also shows that race and class segregation and access to mainstream institutions play important roles in the persistence of poverty in rural areas (Duncan 1990). There may be particular challenges for women living in rural areas, where services may be limited and the sex differences in earnings even higher (Pickering et al. 2006).

Rural areas are often exploited for natural resources and cheap labor. Movement of industry usually exacerbates rural poverty over time, further impoverishing dependent areas when plants relocate (Tickamyer and Duncan 1990; Anderson, Schulman and Wood 2000). Resource dependency theorists stress that intensifications in energy use worldwide have led to increased resource extraction in rural areas, which has been found, at least in some cases, to be associated with increases in poverty (Peluso et al. 1994; Fisher 2001). Hence, the international drive to exploit dwindling energy sources along with the global mobility of production negatively impacts lower classes in rural areas. And in the sense that rural areas adopt the “functions discarded by cities”, including correctional institutions, food system consolidation, and waste storage, they serve as a spatial fix for many of the nation’s problems



(Lobao 2004: 24-5). All this considered, devolution in social services can have disturbing consequences for residents of rural counties that are left to their own devices (Weber et al. 2001; Lichter and Jayakody 2002; Pickering et al. 2006; Agnitsch, Flora, and Ryan 2006).

### *Comparing Urban and Rural Places*

A large amount of literature documents the problems that cities and rural areas each face in addressing poverty. Here I cover three main issues: 1) contextual differences in terms of job availability and opportunity structures; 2) differences in demand for and accessibility of social services; and 3) differences in government, organization and community capacities to respond to poverty.

Labor market dynamics differ in rural and urban locations. Opportunities are not spread out evenly. Better-paying jobs tend to be located in metropolitan areas and areas adjacent to metropolitan locations. Preparing individuals for the labor market may not have the same effect in different places. For instance, the returns to education are higher in metropolitan counties than in rural counties (Rupasingha and Goetz 2007). In 2006 there was a 23.3% difference in earnings between those with a college degree in metropolitan and nonmetropolitan areas, with those in metropolitan areas earning more (Kusmin, Gibbs, and Parker 2008). Further, on average, 13.3% more adults earned a college degree in urban areas than in rural areas (Kusmin, Gibbs, and Parker 2008). In places with a narrow economic structure, such as rust belt cities and southern rural areas, we see more difficulty in ameliorating poverty (Glasmeier 2002). Economic globalization impacts both urban and

rural areas—increasing the competition for businesses and tourists in urban areas, and increasing exploitation of natural resources in rural areas. In both cases class inequality is increased. Moreover, the downward pressure on wages and the mobility of production increases worker vulnerability across place. However, although a volatile global economy may harm both urban and rural economies, urban and suburban areas with diverse economic structures may be more resilient than rural areas (Flora and Flora 2008).

Both urban and rural nonprofit agencies are strained with demand (Curtis 1997; Kissane 2003; Pickering et al. 2006), but accessibility tends to be a greater issue in less densely populated locations with poor transportation infrastructure. Nonmetropolitan counties also provide fewer public services than metropolitan counties, particularly social services (Warner and Hefetz 2002; Lobao and Kraybill 2005). Metropolitan county officials are more likely to report increased work loads for social services and funding shortages, whereas nonmetropolitan county officials report greater fiscal stress and more difficulty with job placement of welfare recipients (Lobao and Kraybill 2005). Research demonstrates that Work First programs do not function well in rural areas. The working poor disproportionately live in rural areas, where single mothers often face major childcare and transportation issues (Weber et al. 2001; Lichter and Jenson 2002; Parisi et al. 2003; Tickamyer et al. 2007). As researchers of rural poverty argue, rural residents face greater vulnerability to market forces because they lack the social institutions to mediate these forces (RSS 1993; Lobao and Kraybill 2005). Yet, in the US, states with more urban areas offer more benefits than predominately rural states (Gibbs 2002; Lichter and Jayakody 2002).

Demand for social services is high in many urban areas, but in rural areas, social services are much harder to provide.

Both poor urban and poor rural areas lack stable employment, opportunities for mobility, and investment (internal and external) in the community (Tickamyer and Duncan 1990). Dewees et al. (2003) find that counties marked by economic disadvantage in general are less likely to engage in economic development strategies, regardless of whether they are rural or urban, and may continue to be disadvantaged in the face of increasing global competition. However, even though inner cities include some of the highest poverty rates, at the county level, rural areas are much more likely to experience lower levels of education and higher poverty rates. These factors are associated with lack of sophisticated economic development strategies by county governments (Dewees, Lobao, and Swanson 2003). The difference between two disadvantaged locales with similar demographic compositions, one urban and one rural, may therefore be *capacity*. Despite their acute problems, urban areas are often also rich in community and religious organizations that in some cases can successfully defend and empower local interests (Goldsmith and Blakely 1992; Harvey 1987; Small 2006). While any community may feasibly be able to form resourceful ties, improve social and economic investment, and exercise social capital, such exercises in agency may be far more unlikely for the rural community under the realities of capital mobility.

Theoretical explanations of community or organizational capacity at the local level fail to elucidate the similarities and differences between rural and urban places. Do urban and rural communities have the same capacity for community agency? How might

community agency be restricted differently in urban and rural areas? Empirically, we do not have many urban-rural comparisons that are not large-N quantitative studies. It is difficult using the separate case studies and the large-N studies available to determine how organizations and groups in urban and rural communities address poverty on the ground level. When we compare governmental and nongovernmental organizations in rural and urban locations, there appear to be significant differences in capacity. And when looking at poverty in particular, we do not know how global and national processes such as economic changes and welfare state restructuring affect the poor differently across locations. Lobao observes that:

Rural sociologists' attention to analyzing urban and rural regions jointly and comparatively provides the only comprehensive sociological lense on spatial inequality, a lense capable of providing powerful insights. In taking a comparative approach, one is confronted with considerable inertia in regional processes, particularly evident in persistent regional differences in economic well-being (2004:7).

I consider the rural-urban one significant axis of difference on which to examine effects of welfare state restructuring for service provision to the poor. With the devolution of economic development and social services to local governmental and private organizations, the implications of agency for rural and urban areas are even more salient.

## ORGANIZATIONS

Much community service provision in modern societies occurs through local government and not-for-profit organizations. Organizations can be defined as groups of

individuals formally organized to pursue some goal(s). Not all social action occurs through organizations, but in modern societies, more social functions have become the purview of the organization. We depend highly on organizations, including government agencies and churches, to provide services to the poor. Organizations provide individuals with tools to pursue goals such as ameliorating poverty or some effect of poverty, but they can also be constraining (as Weber discussed concerning bureaucracies). Theory suggests that the effectiveness of organizations depends heavily on environmental factors and ways in which organizational actors respond to environmental challenges (e.g., Lawrence and Lorsch 1967; Meyer and Rowan 1977; DiMaggio and Powell 1983, 1991).

Local organizations address poverty under altered circumstances with welfare reform, devolution, and a competitive global economy. Social service organizations and local governments face increased demand and reduced funding (Curtis 1997; Lobao and Kraybill 2005). They are saddled with additional responsibilities, pressures to privatize, marketize, or bureaucratize (Salamon 1995; Horton et al. 2001; Evans and Shields 2002; Kissane 2003; Van Slyke 2003; Lobao and Kraybill 2005). Financial market volatility has its effect as well—credit tightening has affected the financing of local governments in recent months, gravely threatening local government services that are not considered absolutely necessary (*The New York Times* 2008). The terms on which they must survive as organizations have changed. Yet, at the local level, organizations play important roles in mediating the impact of macro-factors, including national policy, other neoliberal reforms, and global economic changes.

To explore the ways in which social services to the poor are affected by welfare reform, I examine three interrelated factors in poverty amelioration by local government and nonprofit organizations: the variation in organizational capacity, strategies used by organizations to survive and/or serve communities, and the impact of inter-organizational arrangements in a community. Although not the immediate object of the study, I will discuss how globalization and neoliberal practices constitute and affect these factors. As an explicit part of the study design, I will examine how these factors differ for the urban and rural counties. I contribute to this literature by linking service provision to the poor in both urban and rural counties to the organizational environment, and linking this environment to global and national factors.

### *Organizational Capacity*

**How does organizational capacity impact the ability of people in different places to respond to recent challenges and opportunities, such as devolution and increased demand for services? How have recent welfare reforms affected the capacity of human service organizations to respond to poverty?** Organizational capacity is generally defined as those features of an organization which, when activated, can assist an organization to meet predefined goals. Thus, capacity is presumably the potential to be effective. As Eisinger (2002) points out, capacity attributes “are latent until they are used” (116), and he defines capacity “as a set of attributes that help or enable an organization to fulfill its missions” (117). For social service agencies, then, capacity is related to attainment of service goals and

also to the maintenance of necessary funding levels (Eisinger 2002). The ability to maintain funding levels presumably re-acts on capacity. Several key features of organizational capacity listed in the literature include embeddedness and networks; resources; professionalization; and institutionalization (Eisinger 2002; Glickman and Servon 2008). Eisinger's (2002) study, examining how capacity is related to effectiveness for street-level food assistance programs, is the most relevant example. He finds that the presence of paid staff and institutionalization in the form of computerized records are attributes of capacity that contribute to mission fulfillment for service providers of food. On the other hand, institutionalization in terms of rules and procedures, regular staff meetings and strategic planning contribute little to mission fulfillment, although intake interviews, an example of an institutionalized procedure, were associated with assisting clients in attaining federal program assistance such as food stamps.

Research documents how welfare reform and devolution strain the capacity of social service agencies and nonprofits (Evans and Shields 2002; Jurik 2008). Social service nonprofits face increased financial vulnerability due to reduced government funding, service contracts replacing grants, and competition for donor support from foundations, governments, corporations, and individuals (Alexander 2000). Such organizations also compete with for-profits because the devolution of federal social programs means that states deal with a fixed amount of federal funding to deliver social services, and therefore subcontracting has increased.

Circumstances differ in rural and urban counties, and these may profoundly affect the capacity of organizations (Horton et al. 2001). The rural marginalization thesis suggests that due to population size, density, and composition (more elderly and less educated people); a less diverse economic structure, and lower local capacity, remote rural governments and organizations are more dependent on outside assistance for development or projects like poverty alleviation (Lobao and Kraybill 2005; Cloke et al. 2000). The more remote from metropolitan areas, the more disadvantaged residents are in assisting economic or social development. On the other hand, in urban areas, particularly inner city areas, demand for services and the cost of living may be higher. Resources may be needed for alleviating multiple problems arising from the concentration of poverty, including housing, crime, homelessness, and the lack of middle class institutions (Kissane and Gingerich 2004; Wolch 1996; Anderson 1999). As Gough et al. (2006) argue, the new localism emphasizes local coordination, involvement of agencies, and tailoring to local conditions, but local control is an illusion without control of resources. In this way, both urban and rural areas may be disadvantaged by devolution, but rural areas even more so. We need more research on how organizations in rural and urban areas experience larger changes and pressures in the neoliberal service provision environment.

### *Strategies*

**What strategies do organizational actors adopt to help the organization survive, and what strategies do they adopt to help the poor survive? How do the coping**



**strategies employed by organizations affect services? How do inter-organizational arrangements help organizations cope with the challenges of welfare reform?**

Resource dependency theory focuses attention on organizations' dependence on resources for survival and the need to reduce uncertainty in the environment (Aldrich and Pfeffer 1976; Pfeffer and Salancik 2003). Organizations that wish to survive accede to the demands of organizations or groups who control the resource they are most dependent upon, in this case usually foundations and government institutions. This suggests that organizational actors privilege elite's preferences and views over that of service users. Neo-institutional theorists also assert that organizations are strongly influenced by their environments. DiMaggio and Powell (1983), for instance, stress that once an organizational field, such as local social services provision, becomes well-established, organizations tend to become more similar to one another. This occurs not because one or several organizational models are found most effective, but because organizations must strive for legitimacy, not just effectiveness (Meyer and Rowan 1977 [1992]). Methods that have legitimacy in the field are then adopted; hence the tendency toward organizational isomorphism and curbed organizational autonomy (DiMaggio and Powell 1983). In the effort to maintain their funding base, organizational actors may shape the organization to the expectations of other, more powerful members of society. For example, organizations dependent on federal funding may emphasize employment as the solution to poverty, consistent with the design of PRWORA. Or, because business methods have much legitimacy in a neoliberal policy environment, nonprofit organizations dependent on foundation or government funding may

feel pressured to adopt “new public management” techniques to demonstrate viability (Alexander 2000; Jurik 2008). If organization actors are more attuned to organizational survival than they are to the survival of the poor, we would expect to see implementation of socially approved procedures that might not be most effective.

The spread of neoliberal principles has affected nonprofit organizations, not just through privatization, increased reliance on nonprofits to provide public services, and marketization, but also in the way in which agencies are evaluated by funders and government bodies. Performance-based management models emphasize budget-cutting, efficiency, and “pro-market rationality”, but are found to decrease quality of and client access to services (Baines 2006; Jurik 2008). Baines (2006) also argues that the increased emphasis on quantitative metrics have contributed to the bureaucratization and routinization (and deskilling) of social service work. Although proponents of the New Public Management (NPM) model for nonprofits assert that these changes increase the efficiency and effectiveness of organizations (Hood 1991), other researchers find that the introduction of competition and market forces have had modest effects at best, and in some cases, compromise quality and access (Hasenfeld and Powell 2004; Struyven and Steurs 2005). Thus, the legitimization of neoliberal principles influences not only international business elites and conservative policymakers, but also liberals, the third sector, and philanthropist

bodies that evaluate charities and nonprofit service providers.<sup>5</sup> Service providers face pressure to adopt neoliberal poverty amelioration techniques and organizational management.

Strategies for serving the poor among nonprofits have also been adapted to the realities of welfare reform. Withorn (2002) finds that nonprofit personnel take it for granted now that everyone “just needs to get a job.” Interest in organizing, advocacy, and coordination seems to have waned substantially among the nonprofit personnel Withorn interviewed, as comfort with the requisite paperwork, funding mandates, and daily coping with problems set in. Jennings (2002) also found that with welfare reform, increasing regulatory and service demand pressures in the inner city affected the mission, organizational capacity, and activities of community-based organizations. Many community organizations in the Massachusetts neighborhoods he studied had to switch from community and economic development to respond to people seeking information about (often work-related) services such as childcare, transportation, and housing. Other common responses include the elimination of programs and/or staff, increased rationing of services, heavier reliance on volunteers, and efforts to stretch resources as far as possible (Alexander 2000). Not all strategies are equally feasible across organizations, particularly for smaller agencies and faith-based organizations (Alexander 2000). Altogether, whether such strategies are effective ways of serving the poor or are sustainable in the long term is highly questionable.<sup>6</sup>

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<sup>5</sup> The Baldrige Board includes democrats and republicans, including Al Gore, and use neoliberal criteria for ascertaining effectiveness of organizations. See <http://www.baldrige.nist.gov/>.

<sup>6</sup> Of course, neoliberalism, as unregulated capitalism, demands the continuation of poverty, and limits assistance to the poor by definition.

In such cases, staff members in public and private organizations can face conflicting organizational goals, such as the allocation of insufficient resources (Lipsky 1980). Often, this can lead to exclusionary practices (Austin et al. 2009). Considering the need for legitimacy described by neo-institutionalists, the punitive ideology behind welfare reform, neoliberal precepts, and increases in demand, some organizations may respond by trying to sort the “deserving” poor from the “undeserving” poor, thereby serving only a selected portion of the needy. This would function not only to legitimate the organization as using funds in conformity to mainstream notions about the poor, but could also solve the problem of insufficient capacity. This would be an example of a strategy that serves the organization, but not the poor.

An altogether different strategy for organizations is community organizing or community participation methods in addressing poverty. Community-based organizations that work to change community conditions through methods such as job creation, physical redevelopment, or resident-led advocacy efforts have had mixed results (Blank 1997). Traditional grassroots methods as prescribed by American organizer Saul Alinsky include commitment to democratic processes, involvement of the lower and middle classes, the faith sector and other societal sectors, use of confrontational tactics when necessary, and leaders who are entrenched in the community (Alinsky 1969; Finks 1984). However, recent national and global changes may have affected how such organizations operate and how their strategies develop. The funding environment, for instance, has altered, as discussed above. Community development organizations and community-based organizing has become more

routinized, and easily co-opted by middle class and elite interests (Stoecker 1999; Jennings 2002; Fraser and Kick 2007). The institutions that Alinsky depended upon, such as labor unions, the Catholic Church, and the Democratic Party, have altered or declined with deindustrialization in most large cities (Heathcott 2005). Further, it has become increasingly difficult to challenge an international system of wage insecurity, although not impossible.

### *Inter-organizational Arrangements*

The ties between government, civic society in the form of nonprofit organizations and other groups, the business sector, and citizens, can strengthen the collective ability of people to solve a local problem. Bradshaw (2007), for example, notes that strong social capital helps a community to be resilient. Proponents of social capital often emphasize the role of voluntary organizations (Warner 1999). Embeddedness in a network provides an organization or actor access to more information and resources (Granovetter 1985). Ties that link people across groups and organizations may not only empower the capacity of a community as a whole, but in some cases may entail the participation of citizens, including poor residents. Agnitsch, Flora, and Ryan (2006) suggest that both bonding and bridging forms of social capital facilitate community action, although different types of communities may sustain different types of social capital. Flora and Flora (2008) note that it may be possible to turn individual bridging social capital into community-level social capital by including the community in discussions with external actors who can connect them to resources. However, linkages to the outside (with government or industry) for resources can

interfere with autonomy and flexibility. Furthermore, the ability of organizations to engage in inter-organizational relations may differ: Guo and Acar (2005) find that a larger budget size, receipt of federal funds but reliance on fewer government funding streams, and board linkages with other nonprofit organizations increase the likelihood that a charitable organization will increase the formality of its inter-organizational coordination.

Welfare reform ushered in renewed dedication to collaboration and subcontracting of welfare services to the private sector for many local areas. Such support derives in part from faith in the private sector to best provide for public well-being among policymakers and commentators (Evans and Shields 2002). By turning to nonprofit organizations to provide services, policymakers can downsize government while supposedly celebrating civil society. However, such downsizing may have thrown many service providers into fiscal stress on account of increased demand, increased range of services required, increased bureaucratization, and insufficient funding (Curtis 1997; Alexander 2000; Jennings 2002; Withorn 2002). Nonprofit organizations also may become more regulatory and bureaucratic in function, in some cases even emulating government programs (Hasenfeld and Powell 2004), thus operating as a “shadow state,” and losing their voluntary, civic character (Wolch 1990). However, in the context of welfare-to-work policy, coordination and embeddedness should benefit clients. Wolman suggests that “[w]here local welfare and employment and training agencies cooperate closely, and where these, in turn, are well integrated with other community institutions, welfare recipients should, *ceteris paribus*, have an easier path moving from welfare to work” (1996: 6). Importantly, the quality of these institutions varies

across place, and inter-organizational cooperation may not hold the same benefits across counties.

Furthermore, ties between sectors may not always benefit organizations. Organizations may become dependent on other organizations for funding and legitimacy, compromising their autonomy and therefore mission (Salamon 1995; Evans and Shields 2002; Van Slyke 2003). Goals of different organizations may diverge in significant ways, making it less likely that the poor will directly benefit (Cloke et al. 2000; Fraser et al. 2003; Gough et al. 2006). Indeed, Portes (1998) lists several negative outcomes of social capital, including social exclusion and excess claims on members.

Research does suggest that although partnerships between sectors in addressing poverty have become more common at the local level, this is not automatically positive for poor residents (Fraser et al. 2003; Gough et al. 2006; Cloke, Milbourne, and Widdowfield 2000). Fraser and Kick (2007) examine the involvement of four sets of actors—local government, investors, nonprofits, and community residents—in mixed-income housing initiatives in two mid-sized cities. They find that when the goals and capacities of different actors converge, namely local government and investors, then place-based outcomes such as neighborhood revitalization are feasible. However, people-based outcomes, such as economic self-sufficiency, require the convergence also of community residents and nonprofits in goals and capacities. It is necessary to investigate how different sectors of society (state, market, private nonprofit, and community) interact to influence poverty initiatives (Fraser et al. 2003).

Limited research exists on whether forms of collaboration differ by community factors (e.g., rural and urban location), whether different types of collaboration (e.g., degree of formality, differences in sectoral involvement, vertical v. horizontal) hold different benefits for actors and constituents, and what the challenges are for making such coordination effective for the community. The exception here is the large amount of research suggesting citizen participation, specifically poor residents, is necessary for truly effective community initiatives in addressing poverty (Goode and Maskovsky 2001; Jennings 2002). But even this is not a panacea, if the participation is not sustained or influential, if necessary resources are not forthcoming, or if important ties to community leaders and external actors are lacking (Alinsky 1969; Portes 1998; Lopez and Stack 2001; Agnitsch et al. 2006; Flora and Flora 2008).

Thus, one way to examine how the poor are affected by welfare reform is to examine how service providers alter activities and missions in response to changes in the environment. We would expect to see differences in how organizations cope with decreased federal funding, devolution, increased emphasis on employment as the solution to poverty, and changing employment opportunities for clients. For instance, rural organizations that deal with less demand but more severe problems may be more likely to decouple activities from mainstream expectations. Urban organizations however may be better able to compete for grants and contracts, but may find they are subject to greater paperwork requirements and decreased autonomy. By examining the ways in which service providers in urban and rural



locales adapt to global, national, and local conditions we can further understand the paradoxes of addressing poverty under the prevailing international political economy.

## CONCLUSION

As this review of the literature suggests, service providers face serious challenges, including increased economic insecurity among clientele, international migration, and a more restricted political approach to addressing poverty at the national level. At the local level, there are also problems, particularly for rural organizations that may be ill-equipped to replace substantial government aid. Such local factors may influence how agencies are able to respond to these challenges. However, few studies explicitly examine how service providers react in both rural and urban locations. In this study, I contribute to research on communities and poverty by comparing agencies in both a rural and an urban county. Specifically, I address the issue of how local autonomy to address poverty differs for the rural and urban county in my study. I examine how organizations in these counties employ different strategies to cope with neoliberalism and devolution, depending in part on the level of capacity and presence of local resources. By showing how these strategies are restricted in terms of serving the poor, I contribute to the literature by demonstrating how local autonomy is circumscribed, but in different ways across place, thus reinforcing inequality both across and within places.

After all, in the end it is the low-income that benefit or suffer from the organizational environment and staff members' responses. By examining this environment and the

strategies service providers employ to serve the poor in such an environment, we can learn more about how inequality is reproduced at these intersecting levels.

## CHAPTER 3 METHODS

### A COMPARATIVE CASE STUDY

My central research question is how public and private nonprofit organizations that serve the poor cope with structural and environmental contexts, such as welfare reform, and how such coping varies within and across two counties. I conducted case studies of two counties, including field research on service provider organizations and local government officials, in addition to detailing the county context. My goal is to produce a holistic analysis of the complex processes and networks related to poverty, race, and region (see Orum, Feagin, and Sjoberg 1991), in order to analyze how service providers cope with neoliberal pressures differently across place. Because challenges in alleviating poverty, including those linked to political economic factors, differ between urban and rural locations, I investigated both an urban county and a rural county in North Carolina. The poverty literature is fractured by urban/rural context, and my research is an attempt to bring the two together to better understand and contextualize poverty and service provision. By examining service provision and poverty alleviation in both types of counties, I will explore differences and similarities. While I expect to find differences between the two cases, I also expect to find similarities that show how some factors in poverty and social services cut across the town and country divide. By employing ethnographic methods combined with other sources of data and situating actions within the larger context, I am able to “trace how lives [of the poor and efforts of service providers] are organized through the social relations of their contexts”

(DeVault 2008:4). I connect the actions of people operating in and constituting institutions at different locations to demonstrate that the strategies pursued at the local level are directly linked to political economic conditions, although they are also mediated by local contexts. This study contributes to our cumulative knowledge on how communities address poverty and other social problems given extra-local constraints, adding to the theoretical literature on local autonomy.

I chose counties as the level of analysis for several reasons. First, for rural areas, the county is often a more important level of analysis than the town or neighborhood, as has often been analyzed by urban sociologists (and pointed out by Lobao 2004). Second, in North Carolina, government social services are administered at the county level, as are many nonprofit social services, making service impacts county-wide. Third, I can examine differences within counties, such as location within the county. This county-wide focus does not automatically leave out residents of the hinterlands or rural areas within a larger metropolitan territory. As Lobao (2004) discusses, we must pay attention to potentially new places of inequality that emerge with contemporary uneven development processes.

I selected an urban county that is part of a medium-sized metropolitan area within commuting distance from Raleigh. I then chose a rural county in the same geographical area that was similar to the urban county in terms of racial demographics and poverty level. However, in line with other studies of poverty, the rural county in this study does have a slightly higher poverty rate.

Multiple methods were used to research the cases. I used interviews, observations, and archival material in this study. In efforts to protect the confidentiality of study participants, I do not reveal the names of the counties, cities, unique organization names, titles, nor the respondents' names. Pseudonyms are used for persons, cities, organizations, and counties. This is consistent with the terms of the Institutional Review Board approved exemption. I also refrain from providing exact figures or details that reveal the identity of the counties or organizations.

The two primary research questions for this study are as follows:

1) How does organizational capacity impact the ability of organizational actors in the two counties to respond to recent challenges and opportunities, such as devolution and increased demand for services? How have recent welfare reforms affected the capacity of human service organizations to respond to poverty?

2) What strategies do organizational actors adopt in response to the environment to help the organization survive (coping), and what strategies do they adopt to help the poor survive? What inter-sectoral arrangements exist in these counties, and how do these arrangements help organizations to cope with the challenges of welfare reform? How do the coping strategies affect their services?

Interview questions were geared toward procuring data relevant for answering these questions, while providing informants plenty of room to discuss various concerns and issues. Field observations were utilized to procure additional information on daily organizational procedures. Finally, I use publicly available data on organization and county characteristics

to supplement collected data. These research activities were supported by a grant from the Rural Sociological Society.

I began contacting organizations for interviews in November of 2008, and concluded primary data collection in June 2009. During this time span the economic recession in the U.S. gained in impact, and unemployment rates and budget problems increased in both counties, as they did across the country. I asked informants specifically about experiences before the recession, and what effects they felt from the recession. Economic conditions undoubtedly strained organizations and individuals. Thus I can examine how the realities of a volatile economy impact organizations, clients, and the coping strategies of both.

## SOURCES OF DATA

### *Interviews*

I spoke with thirty key informants in the rural county and twenty-eight informants in the urban county. These key informants represent different positions in ten different organizations in the rural county and in twelve different organizations in the urban county. The individuals I interviewed in the rural county included seven high-level organization positions, such as Director or county official, plus a Department of Social Services (DSS) Director in the focus group interview. I also interviewed two board members, one pastor associated with the county parish, a DSS Work First Supervisor, the JobLink coordinator, a cooperative extension agent, a health department official, and sixteen county residents. The individuals I interviewed in the urban county included ten high-level positions, such as

Director, Vice President, or Program Director; a volunteer; an assistant director of volunteer services; a social worker; a DSS Work First Manager; an immigrant assistance specialist; an English language training supervisor; a cooperative extension agent; and ten county residents. I also conducted two focus groups, one in the rural county involving DSS personnel, and one in the urban county involving the members and personnel of the organization *A New Community Vision*.<sup>7</sup> In these focus groups, I used similar interview protocols. Key informants were selected based on accessibility, knowledge of the organization, knowledge of the county, and some to provide variation in community position (triangulation).

Interviews were semi-structured. Most interviews were in-person, tape recorded, except for sixteen that were conducted via telephone and recorded by hand. I also took notes while tape recording to help with later transcription, and took observational notes of my visit to the premises. Interview time length ranged between 15 minutes and over an hour. I contacted most organizational employees by phone to introduce myself and to ask for an interview, which was then scheduled as a face-to-face visit in their office.

There were many individuals I could not arrange interviews with, and the types of organizations and positions that I was able to reach in the two counties are asymmetrical. I was able, for example, to reach higher level local government officials in the rural county than I was in the urban county. Also, since there were fewer organizations to contact in the rural county, I was able to interview someone from all the centrally relevant organizations.

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<sup>7</sup> All organization names are fictionalized, except Departments of Social Services, for which I give a pseudonym in terms of the county name.

In the urban county, I selected organizations based on accessibility and relevance. I made sure to interview personnel from the largest service providers whose mission was explicitly focused on providing basic needs services to the poor. I also contacted a range of smaller organizations in the urban county; organizations that served different types of clientele, such as international immigrants and refugees; those with different strategies in serving the poor, such as job training, community gardens, and “day” shelters or centers; and those mentioned by DSS personnel as important service providers in the community. I compiled lists of organizations in the urban county from extended internet searches, from lists provided by service providers I contacted, and from the names of organizations mentioned in interviews. The list is certainly not exhaustive. I focused my efforts on those organizations that appeared centrally involved in serving the low-income population, excluding physical and mental health agencies as a different set of organizations with their own complex issues. Yet, organizations in my urban sample provide a range of services, such as food pantry shelters, job training, homeless services, English language training, and community services.

Out of the four urban organizations that provided employment-related skills in the county, two are in my sample of organizations. Out of the eight organizations that provide emergency assistance, excluding churches, four are included in my sample. Out of the four organizations that target low-income residents for educational services, one is included in my study. Out of the seven organizations that are primarily shelters, one is included in my sample, although four other organizations in my urban sample also provided shelter for the



homeless. It can be presumed that I under-sampled very small organizations in the urban county since they may not be well publicized. Similarly, most organizations in my urban sample are located in the main city or else in the smaller town I call *Milton*. Only one organization in my urban sample is located outside these two cities, although residents living outside these cities can usually access services provided by the city organizations.

As I wished to gain a sense of the perspective and experiences of the low-income population, I recruited informants at two organizations in the urban county and from one organization in the rural county. Thirteen respondents were recruited from a day center in the urban county, where they access various services for job seekers and the homeless. Most of these respondents were homeless at the time of interview. Ten are men and three are women. I also interviewed three women I recruited from Work Solutions, an organization that, among other services, trained people in various job skills, for a total sample of 16 low-income respondents in the urban county.

In the rural county, I interviewed ten informants, one man and nine women. These I recruited from the multi-denominational Protestant parish. None were homeless at the time of interview. See Table 3.1 for demographic details.

All respondents in both counties were given a \$10 gift card as incentive and compensation. These interviews lasted between 15 minutes and 35 minutes, and consisted mainly of discussion about use of services and short-term and long-term strategies for making ends meet. Because of the availability of facilities in the urban county, I was able to conduct the interviews in-person and tape-record them. In the rural county, however, due to

lack of accommodations, I opted to interview most respondents by phone, taking detailed notes. The sample is nonrandom and cannot be assumed to be representative of the wider population. As such, I do not attempt inappropriate analysis of the interview data, for example, statistical analyses of the demographic differences among the urban and rural respondents. Rather, I use these interviews as sources of data on some of the problems and barriers that service users might face. I also use the interview data in conjunction with other informants and observations to support broader findings. However, I do so with caution, acknowledging the limitations of these interviews. Beyond the interviews, however, I had extensive contact with clients through volunteering and observations, which I describe below. I obtained research clearance for all of the field research through the Institutional Review Board prior to beginning the research. Interview protocols are included in the Appendix. However, I adapted the questions to suit the interview context, such as position of respondent, time constraints, and need for probing.

Table 3.1. Demographics of Respondents in Low-Income Households\*

<u>Rural residents</u>	<u>Age</u>	<u>Urban residents</u>	<u>Age</u>
<u>Black males:</u>			
Kyle	(31)	Daniel	(41)
		Dennis	(48)
		Donnell	(19)
		Douglas	(54)
		Jackson	(38)
		Jeb	(55)
		Kobel	(35)
		Mack	(50)
		Melvin	(54)
<u>Black females:</u>			
Lacey	(40)	Cassie	(40)
Lana	(37)	Julianne	(54)
Loretta	(30)	Marilyn	(46)
Delphi	(70s)	Myra	(40)
Annie	(78)		
<u>White males:</u>			
--		Bob	(56)
<u>White females:</u>			
Helen	(54)	Amanda	(40)
Kelly	(52)	Hilary	(34)
Marie	(41)		
<u>Native American females:</u>			
Joanna	(43)	--	
<u>Total: 10</u>		16	

\*All names are fictional.

### *Observations*

I also conducted observations and participant observations. I attended meetings, observed service agencies on-site, and volunteered at two different agencies in the rural county. I attended two county commissioners' meetings in the rural county that were open to the public. I also spent 40 hours as a volunteer at the rural county parish in the food pantry program, and 28 hours at the domestic violence shelter doing administrative tasks, over the course of several months.

In the urban county, I attended nine community meetings at the New Community Vision (NCV) center where organization staff and volunteers, along with other members of the community, met informally to discuss community issues on a weekly basis. I also attended a community meeting on a law enforcement policy (termed 287g) that targets undocumented immigrants, also arranged by NCV. I attended a planning committee meeting at the day center, regarding plans to expand the center. In studying one urban county organization, Work Solutions, I was given a detailed tour of the facilities by employees, and observed in addition two classes, general training, service provision, and other daily operations at their main service facility. Finally, I completed 69 total volunteer hours over the course of several months at the large urban ministry, 40 of which were spent in the emergency assistance program, 20 in the food bank and kitchen, and 9 hours at their men and women's shelter.

I obtained access as a volunteer in the three agencies (City Ministry, the rural parish, and the rural Family Services/Shelter) through upper level employees to whom I explained

my research objectives. We agreed on the number of weeks and the schedule I would work as a volunteer. For the volunteer work, I recorded my observations as recollections after my shift. I usually recorded these notes using a voice recorder on my drive home or to the next site, to be transcribed later, while the experiences were still fresh in my memory. For the meetings and on-site observations, I was able to record the proceedings by hand-written notes. In most instances, I recorded everything that I consciously noticed, but, in some of the later NCV meetings, I took focused notes, restricting observations to what I saw as potentially relevant details. See Table 3.2 for a list of data sources by county and type, and see Table 3.3 for a list of organizations for which I have detailed information (at least one interview or extensive field notes).

Volunteer duties were extensive. At the City Ministry in the urban county, I took applications for both food and rent/mortgage/utility emergency assistance. These applications were particularly extensive for the rent/mortgage/utility assistance, and required volunteers like myself to talk to applicants and request various sorts of information, verification, and documentation. Often, applicants used this opportunity to tell volunteers and staff their stories. In the City Ministry food bank/kitchen and shelter, I interacted more with staff than clients, although I was able to observe how the other staff and clients interacted with each other. At Work Solutions in the urban county, I talked extensively with the work program students (clients) and some of the staff during my several visits. Once I spent the entire day at the facility, attending classes and working with the students. At the rural parish, where food and rent/utility assistance is also available, I had less interaction with

clients than at City Ministry's emergency assistance program, because the application process was less involved. However, I was responsible for maintaining client files and was able to get to know some of the volunteers.

Attending community meetings, volunteering, visiting research sites, and driving to the various organizational sites helped to ground me in the culture and daily life of the research informants. In this way, I also experienced the differences between the two counties, as volunteer and visitor. For example, my diet differed depending on which county I was researching any particular day: the restaurant options were far inferior in the rural county. I also had restricted access to technology in the rural county. There were no meeting places or parks to go to in the rural county. The pace of life in the urban county, however, was more frantic, and my studies there tended to exhaust me more. I spent part of each week in the field in both counties to facilitate comparison.

Filling the role of both agency volunteer and researcher was at times complicated and conflicting. In City Ministry's emergency assistance program in the urban county, for example, it was difficult for me to interact with clients in the formalized way that required in-depth, intrusive documentation. Also, in the City ministry shelter, I found the role of volunteer behind the desk difficult because I was required to conserve resources (phone time, toiletries, etc.) and enforce the rules. The staff/volunteer was thus placed in an antagonistic, patronizing role relative to the homeless residents, because they were charged with enforcing rules and maintaining order and discipline. I did not relish this position, but I felt responsible for maintaining the social order of the shelter. I found it challenging to accept the differences

between my life and those of agency clients. After listening to a client's harrowing story, I would then enjoy the luxury of going home to my middle class lifestyle. On the other hand, I also found the predicaments and experiences of many clients familiar, reminding me of my family members' stories. At the end of a day in the field, I would feel stressed and emotionally exhausted, and then guilty for complaining to myself while others were struggling just to eat and find shelter.

Another example of volunteer/researcher conflict is my role as gatekeeper of resources as a volunteer at the City Ministry and the rural Parish food assistance programs. In some cases I violated (in minor ways) the rules in order to provide additional assistance to someone in need. But for the most part as a volunteer under someone else's direction, I was obligated to follow instructions. However, I also learned more about how the organization actually operates and the implications of daily procedures by being part of them. I also caught a glimpse of the profound ethical dilemmas that service providers face in balancing the conservation of organization resources with the needs of clients, a key issue for social service deliverers. Finally, through volunteer work, I contributed time and effort to serving the communities I was also studying.

### *Other Sources*

I also rely on information about the counties, organizations, and population that is publicly available online or in quantitative datasets, as well as documentation I collected on-site or through listserves. Some major sources of information include the NC Employment

Security Commission, the respective county government web sites, the Census Bureau, organization sites, and newspaper articles. Some of these sources I also coded along with all field notes and interview transcripts. See Table 3.2 for a listing of coded documents.

Because I initially had limited information on economic development efforts in the counties, I searched online for news articles on development efforts in both counties. I also searched online broadly for “low-income assistance” and “poverty” in the counties, which is how I found information on the 211 phone service in many North Carolina counties that people can call to find contact information for service providers. In examining agency web sites, I also found data used to construct the organizational profiles (see Table A1 in the Appendix) that are included in coded documents as listed in Tables 3.2a and 3.2b.



**Table 3.2a. List of Interviews, Observations, and Other Coded Documents for the Rural County**

<b>Informant Interviews</b>		<b>Rural County</b>		
Pseudonym	Organization		Month/Year	Interview Procedure
<b>Government</b>				
Tara	Dept. of Social Services		June 08	on-site
Beau	Health Department		June 09	Phone
Dicey	County Senior Services		Mar 09	on-site
Kyle Brown	Local County Govt		Apr 09	on-site
Rochelle	Dept. of Housing		Apr 09	Phone
Kate	Community College JobLink		Jan 09	on-site
Abigail	Community College JobLink		Jan 09	on-site
<b>Nonprofit</b>				
Samantha	SmartStart Children Center		Nov 08	on-site
William	County Parish		Nov 08 / Mar 09	on-site
Francis	County Parish, board member		May 09	on-site, notes only
Carla	County Parish, board member		May 09	on-site, notes only
John	County Parish		Map 09	on-site, notes only
Diane	Family Services/Shelter		May 09	on-site, notes only
Sandra	Cooperative Extension		Mar 09	on-site
<b>Residents</b>				
	Demographics			
Annie	Black female 78yrs old, household size 5		June 09	Phone
Helen	White female, 54 yrs old, household size 2		June 09	Phone
Joanna	Native Am female, 43 yrs old household size 3		June 09	Phone
Delpha	Black female, 70+ yrs old, household size 1		June 09	on-site
Kelly	White female, 52 yrs old household size 1		June 09	Phone
Kyle	Black male, 31 yrs old household size 3		June 09	Phone
Lana	Black female, 37 yrs old household size 1		June 09	Phone
Marie	White female, 43 yrs old household size 3		June 09	Phone

Loretta	Black female, 30 yrs old household size 6	June 09	Phone
Lacey	Black female, 40 yrs old household size 4	June 09	Phone
Focus Group	Dept. of Social Services	Feb 09	on-site
Daryl	DSS		
Melanie	DSS		
Tara	DSS		
Denise	DSS		
Linda	DSS		
Jackie	DSS		

#### Field observations

Organization/Type	Number Discrete Files/Events	Month/Year
Dept. of Social Services	1	Feb 09
Local County Commissioners Mtg	1	Mar 09
Local County Commissioners Mtg	1	Apr 09
County Parish	3	Mar 09
County Parish	3	Apr 09
County Parish	5	May 09
County Parish	1	June 09
Family Services/Shelter	6	Apr 09
Family Services/Shelter	3	May 09

#### Other

Cooperative Extension Plan of Work 2007  
 News Article on County Commissioners Meeting, dated May 2009  
 Town Govt Online Posting on Econ Development, retrieved Mar 09  
 News Release on Regional Lean Manufacturing Forum, dated fall 08

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Note: To further protect confidentiality, I generally do not list the position the respondent held in the organization.

**Table 3.2b. List of Interviews, Observations, and Other Coded Documents for the Urban County**

Urban County				
Informant Interviews				
Pseudonym	Organization		Month/Year	Interview Procedure
Government				
Valerie	Dept. of Social Services		Jun 08	Phone
Brian	Dept. of Social Services		Nov 08	on-site
Delores	Dept. of Social Services		Jan 09	on-site
Nonprofit or Other				
Frank	Work Solutions		Nov 08 / Apr 09	on-site
Candace	Work Solutions		Nov 08	on-site
Rachel	Work Solutions		Mar 09	on-site
Alison	Work Solutions		Mar 09	on-site, notes only
Rocky	International Immigrant/Refugee Center		Nov 08	on-site
Catherine	Social Rehab House for Women		Mar 09	on-site
Jenn	Neighbors' Ministry		Mar 09	on-site
Simon	Milton Ministry		Mar 09	on-site
Michael	International Faith Unity	Nov 08 / May 09		on-site, notes only / Phone
Karl	International Faith Unity		Apr 09	Phone
Mitch	City Ministry, Family Shelter		Jan 08	on-site
Joyce	City Ministry		Nov 08	on-site
Kay	City Ministry		Nov 08	on-site
Arnold	African Immigrant Services		Jun 09	Phone
Sharon	Cooperative Extension		Apr 09	Phone
Residents				
Amanda	Demographics			
	White female, 40 yrs old household size 1		Apr 09	on-site
Jeb	Black male, 55 yrs old household size 1		Apr 09	on-site

Cassie	Black female, 40 yrs old household size 4	Apr 09	on-site
Bob	White male, 56 yrs old household size 1	Apr 09	on-site
Daniel	Black male, 41 yrs old household size 1	Apr 09	on-site
Dennis	Black male, 48 yrs old household size 2	Apr 09	on-site
Kobel	Black male, 35 yrs old household size 1	Apr 09	on-site
Douglas	Black male, 54 yrs old household size 1	Apr 09	on-site
Hilary	White female, 34 yrs old household size 2	Apr 09	on-site
Donnell	Black male, 19 yrs old household size 1	Apr 09	on-site
Jackson	Black male, 38 yrs old household size 1	Apr 09	on-site
Jeb	Black male, 55 yrs old household size 1	Apr 09	on-site
Julianne	Black female, 54 yrs old household size 1	Apr 09	on-site
Mack	Black male, 50 yrs old household size 2	Apr 09	on-site
Marilyn	Black female, 46 yrs old household size 1	Apr 09	on-site
Myra	Black female, 40 yrs old household size 3	Apr 09	on-site
Melvin	Black male, 54 yrs old household size 1	Apr 09	on-site
Focus Group	New Community Vision	May 09	on-site, notes only
Janet	NCV		
Jessie	NCV		
Lucas	NCV		
Arthur	NCV		
Sean	NCV		
Deeana	NCV		
Anthony	NCV		
Christy	NCV		

### Field observations

Organization/Type	Discrete Files/Events	Month/Year
Dept. of Social Services	1	Nov 08

NCV Weekly Meeting	1	Jan 09
NCV Weekly Meeting	1	Feb 09
NCV Weekly Meeting	4	Mar 09
NCV Weekly Meeting	3	Apr 09
NCV Weekly Meeting	2	May 09
NCV Weekly Meeting	1	Jun 09
Social Rehab House for Women	1	Mar 09
Family Services	1	Mar 09
Work Solutions	1	Nov 08
Work Solutions	1	Mar 09
Work Solutions	1	Apr 09
City Ministry	9	Mar 09
City Ministry	7	Apr 09
City Ministry	2	May 09
Day Center	1	Apr 09
Day Center	1	Jun 09

### Other

Description of Immigrants and Refugee Demographics in County, from NPO web site, retrieved Apr 09  
Progressive Activist Network web site postings of events, retrieved Apr 09  
News Article on the Day Center, dated winter 09  
News Articles on Economic Development, retrieved online, dated Sep 08 through Apr 09  
Brief phone conversation with English Language Training Supervisor at a nonprofit, May 09  
International Faith Unity, brochure and printed materials  
News Articles on County Sheriff, retrieved online Mar 09  
Work Solutions History, retrieved online May 09  
Description of 211 phone service in NC  
News Release on Regional Lean Manufacturing Forum, dated fall 08

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Note: To further protect confidentiality, I generally do not list the position the respondent held in the organization.

**Table 3.3. List of Organizations Included in the Study**

Organization	Type	Size	Location
<b>Rural</b>			
County Parish	FB NP, food pantry, utilities	small	county seat
SmartStart Children's Center	NP, children	small	county seat
JobLink	GOV/CC, job search	small	county seat
County GOV	GOV	med	county seat
DSS	GOV	med	county seat
Family Services/Shelter	Town GOV/NP	small	[confidential]
Dept Housing	GOV	small	county seat
County Senior Services	GOV	small	county seat
Cooperative Extension	GOV	small	county seat
Health Dept	GOV	small	county seat
<b>Urban</b>			
City Ministry	FB NP, emergency assistance, shelter	large	City
Work Solutions	FB NP, training	med	City
DSS	GOV	large	City and Milton
New Community Vision	FB NP, community org	med	City
Day Center	NP, job and housing search	small	City
International Immigrant/	university/NP	large	City

Refugee Center	immigrant services		
Social Rehab House for Women	FB NP, house female ex-felons	small	Outside city
Neighbors' Ministry	FB NP, emergency assistance	med	Milton
Milton Ministry	FB NP, emergency assistance	med	Milton
International Faith Unity	FB NP, immigrant services	small	City
Cooperative Extension	GOV	small	City

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FB = Faith-Based. NP = Non-Profit. GOV = Government. CC = Community College.

## ANALYSIS AND CODING

To “stay close” to my data and enhance researcher reflexivity, I went over my notes and interview transcripts frequently throughout the data collection process and wrote analytic memos (Esterberg 2002). Twice I performed preliminary analysis with the data on hand to discuss at meetings with the whole dissertation committee. This helped me identify issues to concentrate on in the study and gaps that needed filling. Coding proceeded in stages. This project was mostly deductive, in that I formed the specific research questions before beginning analysis, and refined them as I proceeded. For example, although I did not set out to examine the impact of an economic recession, the circumstances of the study compelled me to take economic conditions and impacts into account.

I initially coded the November 2008 through January 2009 documents by hand. I produced memos and summaries as a result of this, but did not return to coding until primary data collection was completed. At this point, I coded all documents using Atlas.ti software, using general categorizations such as “impact of recession,” “reaction to government policy,” “barriers for the poor”, “coordination as strategy,” “limited coordination,” and so on. These codes were primarily theoretically-derived (e.g., reaction to government policy), although some emerged as themes during my fieldwork (e.g., barriers for the poor). In the next stage, I read through the quotations by code, and performed “focused coding” (see Charmaz 2006; Esterberg 2002). For “impact of recession,” for example, I would code on the nature of the impact. Then I compared results by county and summarized patterns. I also included “counter-codes”, coding for negative cases. Esterberg (2002) discusses in her review of qualitative methods the importance of identifying negative cases in order to reduce researcher



analytical bias. Similar to the null hypothesis of quantitative analysis, identifying data that contradict patterns (or preconceived codes) adds to analytic rigor. For example, I coded for both advantages of inter-agency coordination and disadvantages of coordination.

In addition, I compared data on county characteristics directly, using the publicly available data. These facts and figures are reported in the county descriptions, and are referred to throughout the text when relevant. I also created profiles for the eight organizations that I focus on in this study. These are organizations for which I have the most detailed and diverse information: both counties' DSS's, the rural county parish, the rural JobLink Center, the rural Family Services/Shelter, the City Ministry, urban Work Solutions, and urban NCV. (Refer to Tables A.1a and A.1b in the Appendix.) I used these profiles to compare trends across organization and across county on several dimensions: size and age, location, funding, services provided and requirements, clientele served, mission and organizational base (e.g., faith-based or governmental), main strategies, struggles and constraints, impact of the recession, and inter-organizational networks. Although for the analysis I draw on data for all of the organizations (listed in Table 3.3), in chapter six, in detailing the strategies that organizational actors use, I focus on the eight primary organizations.

## STRENGTHS AND LIMITATIONS

Case studies are not generalizable, although we can use case studies cumulatively to extrapolate to larger processes, thereby contributing to theory. Conditions described here are certainly not representative of all urban and rural counties, which vary greatly both in NC

and in the United States. In addition, I note the importance of conditions related to the time period.

Notably, triangulation is a key part of any case study, increasing validity (Orum, Feagin, and Sjoberg 1991). I made special efforts to access key informants from different positions in the county and organizations. I have information from agency directors, government officials, volunteers, social workers, residents with a variety of incomes and backgrounds, agency clients, documented sources, and my own various field observations. My methods also enhance reliability in that some sites were visited repeatedly, a few informants were interviewed multiple times (formally or informally), and I used archival materials to supplement other sources of data. For some organizations, I have combined these different sources of data to produce a complex, detailed picture of the organization. Similarly, I combined the data I have from various organizations and individuals to produce a complex, detailed picture of service provision in both counties. Within the counties, I balanced breadth and depth; I was able to capture the experiences of a variety of organizations in the county while also delving into some of them more deeply.

It is unfortunate that I am not able to identify the cases, so that researchers could potentially build cumulative knowledge about these cases. I am limited in the detail I can give about the counties in the interest of maintaining confidentiality. On the other hand, offering confidentiality likely assisted in gaining access to government officials in particular.

Overall, this project fits within the tradition of other case studies of poverty, including Duncan's (1990) and Fitchen's (1981) studies of rural poverty, and Wilson's (1987) and Vanketesh's (2000) studies of urban poverty. These studies, including my own, together

provide a compelling portrait of the ways in which conditions of poverty are shaped at the local level, in rural or urban settings in the United States. One of the unique strengths of my work is the simultaneous examination of an urban and rural setting, in which I provide a parallel, comparative analysis of contemporary service provision. Further, following in the steps of other ethnographers, I provide in-depth detail on these settings and the people in them. I draw on multiple perspectives and positions to develop a holistic picture of how service provider organizations are shaped by local and extra-local conditions and subsequently how low-income clients are affected. I not only engage with service providers of various sectors, organizations, and positions, but I also provide some clients and potential clients the opportunity to weigh in. Ultimately, my concerns are with how service provision affects those living in or on the verge of poverty. By deliberately considering the larger contexts in which service provision is shaped throughout the data collection and analysis processes, I am able to demonstrate how decisions made and processes enacted at the national and international levels contribute to specific forms of economic disadvantage at the local level.

## CHAPTER 4

### THE LOCAL CONTEXTS

In this chapter I discuss the importance of different local factors for mediating the impact of outside environmental influences on service provision. Because of social service program and funding decentralization, local factors are presumably more important for understanding service provision to the poor. Local factors impact the ability of organizations to serve the poor, and may mediate the impact of global and national conditions. When responsibility is devolved to the local level, more variability in service provision across places can occur. For instance, differences in the tax base of counties are more likely to translate into differences in the levels of financial resources available for services. Places with higher poverty may be more disadvantaged. It is also feasible that the levels of social capital can become more important for leveraging external and internal resources.

I describe the counties in terms of demographics, historical factors, and the local economy, then turn to address local factors that are important in the counties including social capital, cultural capital, and racial dynamics. By social capital I refer to the potential benefits of social relationships, including ties across groups in society. This can be measured by the amount of collaboration and communication that occurs between organizations and also inversely by the amount of fragmentation between sectors of the community. It also can be operationalized as the degree of trust that exists between members of a community. By cultural capital I mean the existence of a cultural infrastructure that fosters cultural and educational development among different sectors of the community, including those groups whose cultural norms are generally less privileged. The presence and valuation of different

cultural perspectives can contribute to the cultural capital of a community. In a local area with greater cultural capital, presumably individuals are more likely to question dominant ways of thinking and thus spur innovative and culturally sensitive approaches to addressing poverty. Often, systems of higher education indicate the potential for greater cultural capital in an area, as does diversity in formal organizations, including churches. Local racial dynamics also influence power-holders' and voters' motivations to help the poor. Racial dynamics can be viewed in terms of the degree of cooperation or communication between racial and ethnic groups, the degree of equality between groups, and in the ability of disadvantaged groups to have their voices heard. In some cases these three issues—social capital, cultural capital, and racial dynamics—can converge to support a tradition of activism among a racial minority group or even a social movement. Potentially, there is more community capacity to address poverty.

Before organization-level analysis, then, I examine the local context for service provision agencies in this chapter. I begin to connect the importance of these local factors for organizational capacity, and continue in following chapters to describe how organizational capacity and strategies are affected by the combination of extra-local and local factors. I find that differing local contexts in the urban and rural counties are indeed crucial for how locals work to alleviate poverty. In general, locals in the urban county are better equipped to deal with poverty given greater social and cultural capital in the form of cross-class and cross-race ties, healthy and diverse religious and education institutions; and dynamism among community leaders. In Woods County, with their low tax base, lack of

development, and social fragmentation, strong movements for addressing poverty are not present.

## COMPARING COUNTY DEMOGRAPHICS

Both counties in this study are located in the Piedmont, or central area of North Carolina. In Marian County, over 80% of the residents live in an urban area (U.S. Bureau of the Census 2000).<sup>8</sup> Marian County's estimated 2007 population is over 400,000. The county seat is a mid-sized city, one of the largest in the state. In Woods, all of the population lives in a rural area. It is smaller in terms of size, population, and population density, with over 20,000 residents in 2007. (See Table 4.1 for a list of demographic and economic indicators.) The counties are similar in terms of racial composition, although Woods has a slightly higher percentage of black residents and Marian has a higher percentage of Hispanic residents. The federal poverty rates for 2000 are moderate but substantial, at about 10% in Marian and about 13.5% in Woods, compared to the NC average of 12.3%. However, in Marian about 14% of the population is at 130% of the poverty income, and in Woods County about 18% are at 130%.<sup>9</sup> Updated figures for 2007 demonstrate an increase in the federal poverty rate in both counties: 15% in Marian and 16% in Woods, just over the state figure of 14.3%. In absolute numbers, which are important for getting a sense of the demand for services, over 70,000 individuals were considered in poverty in Marian in 2007, and about 3,500 individuals were

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<sup>8</sup> All figures given are from the 2000 U.S. Census, unless specified otherwise. Because few counties in the U.S. are completely urban, counties that contain rural residential areas are still classified as urban or metropolitan if they are part of a metropolitan area. According to the 2003 Rural-Urban Continuum Codes, Marian County is part of a medium-sized metropolitan area (code 2), and Woods is a rural, adjacent county (code 8).

<sup>9</sup> For some agencies in NC, 130% is the qualifying limit for services.

in poverty in Woods. Around four percent of Work First recipients in both counties have reached their time limits (24 months or 60 months) on cash assistance between 1997 and 2005. In education, Marian is ahead of Woods with about 80% of the population 25 years or older holding at least a high school degree or equivalent. In Woods, only about 70% of these individuals have a high school degree or equivalent.

Breaking it down by blacks and whites, about 18% of the black population in Marian was poor in 2000, compared to only 6% of whites (U.S. Bureau of the Census 2000). In the rural county, 19% of blacks were poor, compared to 10% of whites. So in Marian, whites do a little better on average than they do in Woods. Interestingly, when looking at just the single mothers (see table 4.2) or racial minorities, we see a more similar pattern between the counties than when examining total households, whereas whites and two-parent households in Marian are better off than their counterparts in Woods. In other words, more of the slots are at the bottom of the economic hierarchy in Woods County, and we therefore see a higher percentage of all types of racial groups in poverty. In Marian there is a higher median wage and lower poverty, but it is primarily whites who benefit. There is a substantial presence of foreign-born immigrants from all parts of the world in Marian. Attesting to this is the presence of several nonprofits providing services specifically to international immigrants and/or Latinos. Also, the percent of the poor who are black is about 50% in both counties, but in Marian blacks in poverty appear more likely to utilize Work First services (according to state data from 1995 through 2005).

Table 4.1. Demographic and Socioeconomic Indicators

	Marian (Urban)	Woods (Rural)
Pop Size (2007) <sup>1</sup>	400,000+	20,000+
% Urban (2000) <sup>1</sup>	80%+	0%
% Rural (2000) <sup>1</sup>	20%-	100%
Pop Density (2008) <sup>1</sup>	730	55
% White(2008) <sup>1</sup>	63%	65%
% African American (2008) <sup>1</sup>	32%	34%
% Latino (2008) <sup>1</sup>	6%	2.5%
# in poverty (2007) <sup>1</sup>	70,000+	3,500+
% in Poverty (2007) <sup>1</sup>	15%	16%
% at 130% Poverty (2000) <sup>1</sup>	14%+	18%
% Whites in poverty (2000) <sup>1</sup>	6%	10%
% Blacks in poverty (2000) <sup>1</sup>	18%	19%
% of the poor who are Black (2000) <sup>1</sup>	50%	50%
% of the poor who are White (2000) <sup>1</sup>	40%	45%
% of Work First recipients who are Black (1995-2005) <sup>2</sup>	68%	50%
% of Work First recipients who are White (1995-2005) <sup>2</sup>	25%	45%
% of Work First recipients who reach a time limit(1995-2005) <sup>2</sup>	4%	4%
% of pop with HS degree (2000) <sup>1</sup>	80%	70%
Median household income (2007) <sup>1</sup>	\$46,000	\$38,000
Mean commute (2008) <sup>3</sup>	20 minutes	30 minutes
Unemployment Rate (2008) <sup>4</sup>	6%+	8%+



Table 4.1. Continued

	Marian (Urban)	Woods (Rural)
County Human Service Expenditures p/c (2006-07) <sup>5</sup>	\$370	\$435
# human service nonprofits (2004) <sup>6</sup>	650	5
# nonprofits per 1000 residents (2004) <sup>6</sup>	1.5	0.3
# child care facilities (2008) <sup>3</sup>	500	20
# child care facilities per 1000 residents (2008) <sup>3</sup>	1	0.8
Property Value per capita (in thousands, 2005) <sup>7</sup>	\$85	\$55

<sup>1</sup>U.S. Bureau of the Census 2000 and population estimates; <sup>2</sup>Management Assistance for the Work First Program; <sup>3</sup>NC Economic Development Intelligence System 2008; <sup>4</sup>NC Employment Security Commission; <sup>5</sup>North Carolina Department of State Treasurer Financial Information; <sup>6</sup>Internal Revenue Service, Business Master File, Registered Nonprofits (2008, Dec) <sup>7</sup> NC Department of Revenue via NC LINC.

NOTE: Exact numbers are not given to maintain the anonymity of the counties.

Table 4.2. Household Income Distribution, 2000

MARIAN	Total Households	Single Female-Headed
Less than \$10,000 -14,999	14%	26%
\$15,000 – 29,999	10	33
30,000 – 49,999	24	24
50,000 – 99,999	30	14
100,000 – 199,999	10	2
200,000 or more	2.5	0.5
WOODS	Total Households	Single Female-Headed
Less than \$10,000 -14,999	21%	27%
\$15,000 – 29,999	21	34
30,000 – 49,999	26	24
50,000 – 99,999	28	13
100,000 – 199,999	4	1
200,000 or more	0.5	0.5

Source: U.S. Bureau of the Census, Census 2000 Summary File 3.

NOTE: Exact numbers are not given to maintain the anonymity of the counties.

## ECONOMIC AND HISTORICAL FACTORS

### *Marian County*

Both counties are located in an area of North Carolina where manufacturing jobs have declined in number, and deindustrialization has occurred. The main industries in Marian County are Trade, Transportation and Utilities; Education and Health Services; Professional and Business Services; and Manufacturing (although comprising much less employment than the first two listed). Effects of global competition are evident, as the regional development partnership initiated a “lean manufacturing” forum to help local manufacturers “compete in brutally competitive global economy” in 2008 (the forum was held in Marian but the partnership is supposed to represent Woods as well). However in Marian County the economy is fairly diverse, with a higher proportion of employment in technical and professional fields than Woods County. This is reflected in higher incomes and the wider income spread in Marian (see Table 4.2). In terms of services, there are more human service nonprofits per capita in Marian and more licensed child care facilities per capita. Residents and service providers suggest that there are many good services, resources, and a healthy volunteer spirit. A DSS Work First informant explains:

We are full of resources in the county. We have a major database of churches and places that will help. [City Ministry], Salvation Army. We have a very good support system with the churches. We work very closely with Vocational Rehabilitation, the Temp agencies, others (Valerie, DSS, Marian Co.).

On the other hand, the urban county is heavily influenced by global processes such as immigration, decline in core manufacturing, as well as neoliberal government policies. The number and diversity of languages spoken in the county is high. However, the

manufacturing jobs that once provided immigrants with decent income have declined in number as plants have closed, downsized, or relocated. This is particularly a hardship for the less educated and recent immigrants. The 2008 recession has worsened conditions: Marian County has scored roughly twice as high as the average for counties in the U.S. on the AP's economic stress index, as of May 2009.

The urban county officials have tried to respond by recruiting new businesses and using the universities and colleges to build their research and development industry. At least two manufacturers have started building in the county after Marian County agreed to provide incentives. Marian County hires a private economic developing company to attract and negotiate with businesses, and local elites created a nonprofit organization to assist with economic development. However, as one Marian County DSS informant notes:

Even if the companies came and they would hire, their selection pool is so large, and they have so many qualified people, why would they hire our clientele, that has low education, low work skills, history of substance abuse problem, criminal background checks, when they have a large pool of people that are educated, that are laid off, that have work histories and don't have some of the same issues and barriers that our families have?...Our families are competing, even on the lower-paying jobs, they're competing with individuals that have a vehicle, that have education, for even a job at Wal-mart (Delores, DSS, Marian Co.).

Economic development efforts, while vigorous in Marian, may not trickle down to the poor, especially the most vulnerable. And in some cases, as in development that devastates communities, growth can worsen people's living conditions. For example, urban redevelopment wiped out one African American neighborhood in central Marian City, replacing it with commercial businesses. More recently, another African American neighborhood is threatened by the building of a sports park, which I discuss below in the

section on race relations. Further, local government officials are hesitant to support unions because having a nonunion workforce is seen as attractive to businesses.

Federal funding for poverty programs has decreased as demand has increased. Both nonprofit and department of social services (DSS) personnel in the urban county note a larger increase in the number of working poor requesting services and in the number of people laid off after spending many years in manufacturing. However, they also point out that, although they are for the most part able to sustain their level of funding, it has become more difficult to do so. The number of people who are in need more than offsets the availability of services and jobs. Milton, the smaller city in the county, also does not have as many services as the county seat, or “Marian City” as I refer to it. There is a significant homeless population, both in shelters and on the streets. More people lose their homes through eviction every day. For example, one young white woman came in to City Ministry to apply for food while I was volunteering, and said she was going to be evicted from her apartment. She was also mildly autistic, and dependent upon a male friend she was living with, but did not entirely trust. She did not know where to go to for help. She was very frightened, in tears. I was able to give her approval for food from the pantry, but otherwise all I knew to do was call over the Assistant Director of Emergency Assistance and suggest she contact the City Ministry shelter for help. In another case, a woman came to City Ministry for help, and the volunteer who took her application was unable to provide assistance. They could not help her because she had no means to continue paying rent, and if they had paid her past due rent she probably would have been evicted eventually. This volunteer was so upset that she later went to the woman’s home, where she found her sitting on the floor with a baby in her arms, no

furniture, food, or diapers in the place. The volunteer and her husband bought her some groceries and diapers, but no one knows what happened to the woman and child afterwards. Despite the good intentions of many, there are people who fall through the cracks every day.

### *Woods County*

Woods faces a set of typical rural challenges, including difficulty attracting quality employment, inadequate infrastructure, reports of toxic dumping, and limited opportunities for services, recreation, and advancement. In this study, the rural county provides a classic example of stagnation and peripheral importance in the global economy. Workers rely on government agencies, prisons, and the service industry for jobs. Organizations and people are, however, profoundly affected by government policies of welfare reform, devolution, and decreased government services. Because of its small tax base, it is difficult for the county government to fund services. They are reliant on federal and state funding. Although the county government is increasingly responsible for more tasks and services, they are unable to meet the need of residents. In addition, Woods has been hard hit by the 2008 economic recession, with an economic stress index score (created by the Associated Press using figures for unemployment, foreclosures, and bankruptcy) higher than Marian County by 1.5 points as of May 2009, and with a higher annual rate increase. The score is more than twice the annual average. This is mainly attributable to the high unemployment rate in Woods.

There are some county advantages. Woods is scenic and “historic”. It is located within an hour’s driving distance of several urban areas. For the more affluent, there is a highly rated golf course. And some people are in fact deeply involved in trying to assist the

disadvantaged. Past decades of federal and state efforts to ease poverty have helped Woods' poor. In looking at change over time, it appears that there is some convergence in the past four decades between the counties as Woods, though starting off with much higher poverty, has made improvements much faster than Marian County.

Yet, key informants and the Cooperative Extension Plan description of the county cite the lack of industrial growth (it is a bedroom county to nearby cities), decline in tobacco, lack of infrastructure and transportation, mill closings, and the lack of opportunities which discourages people from returning to the county as major economic problems. There are few options for development. Efforts by local government officials have provided a handful of jobs and opportunities, but are not likely to impact the poverty rate. Some key informants suggest that residents were dependent on factory work to make a living, and when they lost these jobs, they lost hope and a reason to strive for something better. They also discuss social fragmentation as a major barrier—residents tend to identify more with neighboring cities and counties than Woods County as a whole, and there is little infrastructure or centralization to facilitate communication across the county. In addition, residents and service providers frequently mentioned the drugs and violence in the schools and community as concerns. A County Parish informant told me this:

They have a gang problem here. Believe it or not. In [town]. You wouldn't think it was a hub of gangs, but they do have a lot of gang—a lot of drug activity. So what happens to these young men, black and white? They either end up in that world of gangs--[town] has no shortage of prison, they have three work farms. So what are they gonna do, they get incarcerated. They can't get jobs. The ones that don't go into the military are stuck here (William, County Parish, Woods Co.).

Both counties have similar problems with transportation, housing, not enough living wage jobs for all, and clients with multiple barriers to attaining self-sufficiency. However, in the rural county, although these problems affect fewer people, some of the problems run deeper. They are more recalcitrant and debilitating for poor, isolated residents. Physical health issues come up over and over again in the rural county data. Further, there is no hospital in the county and limited transportation assistance.

For example, one older white man with diabetes came to the Parish. He was living on SSI (Supplemental Security Income) and sharing a home with three other adults, none of whom were employed. Rent and bills were paid for with the SSI check, and there was little left over for food. This man was not technically eligible for food assistance at the rural Parish when he came in, because he had been in the previous three months, but the Manager made a rare exception. Many clients return to the Parish for food the day they are eligible again, having relied upon the food pantry for years. Others wait until they are desperate, at their wit's end. Helen said, "Yes, we did run out of money for food, and I would have gone without, but my husband a diabetic—I can't do that. I lost 50 pounds, what's another 20, you know? [Beginning to cry]." Criminal records as an issue comes up repeatedly in both counties, but in the rural county, options are even more circumscribed for these individuals. Another young black mother I spoke with had just been released from jail, but had not been able to find employment, had just received an eviction notice, and implied that she might have to go back to selling illegal drugs just to survive: "[My biggest worry is] me having to be away from my children. I went to jail for selling drugs, and now I have to stay away from

it. But I'm scared because of the eviction. And social services are the people who are supposed to help you, but they can't help or they won't help, and what options do I have?"

Residents of both counties reveal that they lack a support network in the form of family networks and in the form of adequate community services. Many respondents in the rural county did say that their family, if they have any nearby, were not able or willing to help them out if needed. This was also true of the urban respondents. In both counties, there is great need for community services. And in both, there are many examples of how services do not meet the need of particular individuals. However, in the urban county, there are more examples of needs actually being met through service providers than in the rural county. You are more likely to find the services you need in the urban county, but you are by no means assured of adequate help. As mentioned previously, many fall through the cracks. In the rural county, there are not cracks but a chasm.

### *Effects of Economic Recession*

The most obvious and direct impact of the current economic recession is the increase in demand for services. The number of individuals living in households in North Carolina that receive food stamps increased by 231,000 between December 2007 and April 2009 (North Carolina Budget and Tax Center May 2009). The number of clients for most organizations in both counties has increased, and there has been an increase in the education and skill level of many of the clientele as workers in different fields find themselves unemployed. Of the individuals and families who were poor before the recession, one can now distinguish two groups. First, there is the group of people who find themselves in even



worse circumstances in the urban county, and are especially at risk of becoming homeless.

Those in the second group however have experienced little change in circumstances. For these latter individuals, they report, 'I was poor before the recession, and I'm poor now.'

Cassie says:

I still was struggling before it even started, I'm still trying to maintain, I'm still living the same way, so really it hasn't really affected me. I mean, I'm still doing the same, still living the same, I didn't have no big money in banks, and my job is the same job, working for [the city] and I mean, I don't know, Bernie Maydoff, I ain't had no money with him, so I hate it for the people who have lost their jobs, so it's something (Cassie, black single mother, Marian Co.).

For most, however, job prospects are even worse than they were before the recession. The official unemployment rate jumped from 2.6% in 2000 in Woods County to 6.6% in 2007, and even higher to 7.6% as of June 2008. In Marian County, the rate increased from 2.8% in 2000 to 4.7% in 2007 and to 5.7% in 2008. Douglas, a black male in Marian County, reports that, "Everybody's out looking for help, you know, the person, on that certain day you might walk in the place and fill out an application and you might get hired in so much time, but it's just no we're not taking applications." Sharon in Cooperative Extension in Marian notes that,

It's kind of tough. People facing challenges...transportation—basically everything, this economy is in a whirlwind. It's very challenging when trying to teach people about managing finances and they essentially don't have anything to manage or budget. For the most part there are a lot of services and resources out there that I refer people to, like Joblink and things of that nature when they're trying to seek employment. But right now, even to go to Joblink and go through classes and training and so forth, and still not get a job (Sharon, Coop Extension, Marian Co.).

This means that employment-related services are less effective. This is evident particularly in the urban county.

In the rural county, key informants note the increase in demand, and in relation to the state budget crisis, a simultaneous decrease in state-level assistance (although some federal assistance such as food stamps did increase). Due to a large revenue shortfall for the state of NC, human services were cut across the board for 2009-10 (North Carolina Budget and Tax Center September 2009). The Director of the Family Services/Shelter in Woods County expressed worry about state cuts in TANF services and in grants. The Director of the rural DSS lamented their hiring freeze. The economic changes appear to affect the urban county directly, whereas the governmental financial crisis seems to have greater significance for the rural county organizations since they are more dependent on government funding. Overall, organizations in both counties have had to cope with greater demand for services with simultaneous cuts in foundation and government funding.<sup>10</sup>

## ADDITIONAL LOCAL FACTORS

### *Social Capital*

#### Marian County

In Marian County, there is a stronger sense of local identity, especially in relation to the main city, and to some extent, the smaller city. There is a sense of pride and rootedness in these cities, and, among professionals, identification with their local alma mater. There

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<sup>10</sup> See Reed et al. 2009 for a report on the nationwide impact of the economic recession on the nonprofit sector.

are also strong networks of service providers in the county, and collaborative efforts to address economic and poverty issues.

To assess bonding capital and relations of trust, I asked residents whether/how much they trusted the following groups: people who lived in their neighborhood; DSS; other agencies; local government officials; schools; and the police. In the urban county, the overall level of trust in the community appears medium-low. This is also attributable to low trust in the local government and police. However, urban low-income residents in comparison to the rural county expressed less trust overall in fellow residents (who were more likely to be living in a shelter, for this population), more trust in DSS (although this remained mixed), and somewhat less trust in private agencies (e.g., the day center, City Ministry, shelters, and churches). Marian County residents also expressed very low trust levels in local government, and medium-high levels of trust in the local schools (although for the most part only parents were asked about their level of trust in the school system). Among low-income residents of these counties, then, there is only some level of trust in the primary local institutions.

There are both governmental and private efforts to address poverty and general quality of life issues in the urban county. At the county government level, a long-term plan to improve general prosperity and widespread opportunity among county residents was recently put into effect, after the initial stage of acquiring citizen input. Marian's plan included general goals such as improving schools and the safety of neighborhoods, recruiting industry and expanding business, and enhancing representation from across the community in decision-making. There is also in Marian County a homeless prevention coalition made up of different groups and agencies in the county that regularly request participation or feedback

from the community in ending homelessness and improving services. I cannot say to what degree these efforts have been successful, except to examine the actual availability and quality of services, but the existence of these plans and coalitions suggest locals in the urban county are involved in addressing issues of poverty and other problems in collaborative ways.

Further, social service agencies in Marian County, including DSS, Work Solutions, City Ministry, local Salvation Army offices, and the Day Center, regularly engage in formalized, sometimes contractual relations. DSS can be viewed as the central node, in a web of formal and informal information and resource transactions. One of the social workers in the Marian County Work First program informed me that they are well-connected with the long list of social service agencies they provide:

All of the organizations that I listed for you in this list are kind of partnered with us, so that we can make referrals quickly, we can communicate, sign releases, and we can get people into the activities that they offer, and they can refer back to us when they see that there's a need, that we can provide for that. So we are definitely hooked up with these organizations (Brian, Marian DSS, Marian Co.).

Even the immigrant-oriented agencies are strong in collaboration, as the International Immigrant/Refugee Center maintains about 35 official partner organizations around the state, helping them improve service provision to immigrant clientele. There is a good deal of inter-sectoral communication—in addition to DSS-private agency relations, colleges and universities maintain liaisons with many of the larger social service agencies. City Ministry is closely aligned with city government, and the faith community is fairly active in anti-poverty collaboration efforts. Work Solutions makes it part of their mission to work with

federal and state agencies, corporations, public and private agencies, churches, and community residents. This has in practice also included the public school system. Indeed, as researchers have noted, social capital generally works through institutions like the state.

### Woods County

Woods residents do not have a strong local identity or sense of cohesion, despite living in small towns. Some service providers lament this, and resident informants do not express a strong sense of community. County residents and officials are also described as being apathetic in general. William with the County Parish informed me that, “You can cut the apathy in this county with a knife.” He even complained about the apathy of board members. It is possible, however, that local government officials are not necessarily unconcerned about the poverty and lack of amenities in general in their county, but they do not feel particularly empowered to do much. They were very hesitant, I observed at the commissioners’ meetings, to agree to spend local tax dollars. One county official, Kyle, suggested that: “It’s one thing that’s difficult in a rural community to convince others that sometimes we have to spend money...but if you don’t try to invest in it yourself it’s probably never gonna happen.” The poor were not organized in any way unless one counts the youth gangs, and the residents I interviewed complained about the drugs activity and crime these gangs represented. The solution typically offered was improved law enforcement.

In terms of trust, in analyzing the interviews with low-income county residents, I find that the level of trust overall among the rural county poor is low to medium. Trust in other nearby residents is mixed in Woods County. Trust in DSS is low, but high for the Parish.

Rural residents expressed low trust in government and law enforcement, but were mixed on the schools. Overall, individuals in both counties are skeptical of both neighbors and authority figures, although there are some exceptions, especially among some of the elderly respondents in the rural county (n=2).

As I discuss in some detail in chapter five, there are more extensive inter-organizational arrangements in the urban county than in the rural county. Rural agencies are aware of each other, and do make client referrals to one another. There are occasional county-wide meetings, staff members have informal contact through phone calls mostly, and there is some inter-agency board membership in Woods County. Here was probably the most positive assessment of the county agencies' cooperative efforts:

I think we all make a concerted effort to work together in anything that we do to make sure that we're aware of the resources. [One agency] called [us], looking for maybe child care, we also help families find childcare. That if they need financial assistance we're sending them over to DSS, or if they need health insurance for their children that we're sending them to DSS or the Health Department. So I think we all, because we all serve on so many different committees and boards together, that we're aware of the resources, that we can connect families and resources that they may need. And I think within all of our agencies we all have a mission to serve the consumers that are most in need. I think as funding becomes more limited that there's more focus on those families, and we're serving greater numbers of people than we're used to having (Samantha, SmartStart Children Center, Woods Co.).

When I asked an employee in the Work First program how DSS coordinates the work of different agencies in the county, she responded, "Well we do have an orientation for employment services and we have different speakers to talk about what services agency offers. Also, other organizations set up in our lobby information about the agency." Work First clients in Woods County may be referred to other agencies, such as ESC and JobLink,

but there is no formalized process. They are however sometimes placed with other agencies, including the Parish, as volunteers in service work that counts for work activity hours. DSS funds that are contracted out only go to other governmental agencies, like Department of Transportation. There is no formal DSS contracting process in the rural county. Thus, inter-sectoral cooperation in the rural county is primarily informal and sporadic as well.

I discuss coordination efforts in greater detail in chapter five, in relation to the capacity of organizations, and in chapter six, in discussing the ways in which coordination becomes an organizational strategy. Coordination is a deliberate strategy to conserve and better utilize resources, and the ties that support such coordination are indicators of the level of embeddedness in networks, which is a component of organizational capacity. A high level of social capital can therefore enhance organizational capacity, enable coordination between agencies, and support efforts to organize the community.

It is helpful to conceptualize the social capital in the two counties in terms of bonding and bridging ties or linkages. Bonding social capital refers to close-knit ties, and bridging social capital consists of ties across heterogeneous groups. As the responses about trust indicate, there are not necessarily stronger bonding ties in the rural county than in the urban county, among the low-income population. Many professionals in Woods commute from outside the county and have few close-knit ties within the county. Many county residents work outside Woods County, and may sustain closer non-familial ties with co-workers than they do with neighbors. Bonding and bridging ties in Woods County appear weak. In Marian, there are significant inter-sectoral ties and stronger bridging social capital in general. The community organizing agency, New Community Vision, serves as one bridge between

the disadvantage segments of Marian City and progressive or concerned elites in government and academia. Bonding ties among professionals and elites appear stronger in Marian than do ties among the poor, especially the homeless. In this sense, the urban locals may have more social capital to draw upon than the rural residents, although ties among the poor and between the poor and more powerful segments of society could be strengthened in both places.

### *Cultural Capital*

#### Marian County

Unlike Woods, Marian County does have a tradition of community activism on behalf of equality and justice for the poor and disadvantaged. In part this activism is supported by a vibrant community of universities and colleges. New Community Vision (NCV) is especially active in community advocacy, organizing, and service. Some of the leaders in the group were active in the civil rights movement of the 1960s and 70s. There are many examples of their involvement in the community: an oral histories project, a community garden run by the homeless, bringing together different faiths and different races for conversation, challenging anti-immigrant policy, regular community meetings, jobs projects, and meetings about stimulus funds reaching the poor. Other examples in Marian County beyond NCV include a highly-acclaimed community anti-crime initiative in Milton, various community services of Work Solutions, the day center, and the involvement of Latino street organizations in community issues such as the fight against 287(g) implementation. In these cases it appears that medium-high levels of social and cultural capital reinforce each other.



But at the same time, there is a strong conservative element among elites, at least from the point of view of the community organizers. Lucas, a member of the NCV, states that:

[A city in a neighboring county] every two years has a black music festival—that would never happen here. The power structure would not allow it. Our paper would never report some of the stuff that [that city] does...[This city] wants to present itself as progressive, but on the issues it never occurs. The only reason things happen is because people raise the issue. [It's a] mill town mentality. We constantly have to fight battles again and again. Here I am 50 years later doing the same thing as I did in 1960. Still fighting injustice, police corruption, etc. [NCV] got organized by people coming together, it grew out of grassroots organizations. So we continuously have groups coming together (Lucas, NCV, Marian Co.).

Marian city has many of the main elements Saul Alinsky identified as what was needed for a long-term, viable grassroots effort: leaders entrenched in the community and fairly well-supported, some identifiable enemies (currently local government officials such as the county sheriff), participation of the faith community, regular conversations and reflexivity, willingness of some leaders to use confrontational tactics, contact between sectors, commitment to a democratic process among some leaders, participation by the middle class and the lower classes (e.g., the day center and NCV), and realization that the struggle is ongoing (see Alinsky 1969; Finks 1984).

And yet, significant resistance to their efforts remain, and at times radical leaders in the urban county are at a loss as to where to direct the movement in relation to problems that emerge on a global scale. I quote one of the leaders here at length:

Just listening to the discussion about gardening...People sense the direness of the economic circumstances. I have something of a class concern. How do we get people at the very bottom involved in the joy and discipline of this kind of work? I'm glad Anthony is working on that and training our homeless neighbors. A lot of people don't have work or aren't doing anything. So it

makes sense. But other kinds of life-preserving work, building stuff, making stuff, we just have to go there. In all these things, the group not hooked up is the last to get hooked up. People at the bottom will benefit the least from the stimulus package. How can the bottom of our society be enabled to make ends meet? The city manager and Human Relations folks got back to us and wanted to move forward, and then the city council fired the city manager last week. A 5-to-4 vote. Then there are some people who want to marry the county and city police. And [Jackson the city manager] was [Jackson] you know. An average kind of guy. No great champion of liberation, but we could work with him. In reaction I can see how with Barack—Rush Limbaugh and others are just full-throated. Pouring venom. Not likely that the Obama program will work. I say that respectfully. But you can't build up trillions of dollars in debt. One of the worries I've always had—has little to do with him, he's a good brother, dedicated—but how can you turn around a system and set of institutions of domination and denial of domination? You give it your best shot, but fail. We've been discussing this issue for about a year. But we black folk were most progressive and leading social and revolutionary change. My concern is that can be lost in a loyalty to something that probably can't work. There's a way to be loyal without being foolish or making assumptions. I place last night—talking about local areas, as a shift in power. Three groups we were working with, talked about them working in the gardens, and these green jobs, buildings that lose the most energy are in poor communities, and it makes sense to weatherize them and build up equity in low-income communities and to have unemployed black folk doing this work. We thought we had a good chance to get something going here with the city manager. So it doesn't all stop, but it gets you thinking (Nathan, NCV, Marian Co.).

In this monologue, Reverend Nathan goes from discussing local factors to meditating on the larger challenges in addressing poverty, such as “institutions of domination” and economic constraints, back to local factors again. He brings up the financial system repeatedly, remarking that, “The whole question of what actually needs to get done begs another set of questions that are not on the table and I don't know how we're gonna deal with it. This country has a financial system that drives everything else.” The local government is too often a target, and the civic sector does challenge the local officials to provide more funding for the poor. But the local government

sector is divided: some officials are indeed conservative, while some are characterized as progressive (the city mayor for instance). In general, political elites do not have much incentive to address the issue of poverty since most of their influential constituents tend to be against taxes and redistribution. Thus, agencies and community empowerment movements can draw upon the strong social and cultural capital reserves in Marian County, but remain limited in the face of resource constraints and global-local realities.

### Woods County

Cultural capital has also been found to be a vital resource for a community. In many rural areas, however, cultural capital is sorely lacking. Woods County is no exception. Although there is some racial diversity, there is little ethnic diversity and the African American community has limited voice as an organized constituency. There is an African American center for the arts, but this is snubbed by many white members of the community.

We had a leadership banquet for gentlemen. I had it at [the African American Center] at one of their big sounds stages. It wasn't well attended by the white folks, needless to say, because it was an African American facility. And I had criticism. And every once in awhile someone will still make a remark, 'Well, we'd have come to that, if you hadn't it over there at that place.' (William, Rural Parish, Woods Co.).

Parish efforts to hold a banquet at this location failed miserably, reportedly because some white community members refused to attend the location. There are no universities, and only a community college satellite location. Few central locations to support a sense of

community and culture among residents exist. Instead, mobile residents are more likely to attend cultural centers outside of the county, in neighboring metropolitan areas.

Although there is commuting that occurs between the counties, the benefits of institutions of higher education do not seem to spill-over for Woods County residents. For instance, college students tend to participate in their immediate communities. Moreover, there are transportation problems in the rural county. Although nearby colleges are utilized by rural residents, this appears to be the exception rather than the norm. Rural youth, once obtaining a degree, tend to move to metropolitan areas. Therefore, the vibrancy and cultural benefits that universities and four-year colleges can provide are not fully extended to nearby rural areas.

### *Race Relations*

One way in which local elites are able to maintain their privileges and divisions within the counties is through racism. Key informants in both counties saw race as an important issue for understanding county elites and the context in which organizations operate. There are racial divisions in both counties, although the dynamics of racial conflict differ. As is true across the nation, blacks make up a disproportionate sector of the poor and low-income. They also make up a disproportionate number of service users in the counties, constituting over half of the clientele for most organizations I studied. This was particularly true before the recession, and remains so today, although some organizations have recently seen an increase in white clientele. Due to such disparities, studying poverty and service provision is implicitly about race. The portrayal and stigmatization of black single mothers

as welfare dependents has directly undermined support for welfare among the general public, justifying policymakers' dismantling of the safety-net (Quadagno 1994; Brush 2003; Schram 2006). In addition, by suppressing the voice of racial minorities, namely the working class African American community, Latinos, and undocumented immigrant racial minorities, their concerns and interests can be ignored. This occurs in different ways in both counties.

### Marian County

In both counties I encounter a recent history of racism, but in Marian County there is also a tradition of activism among African Americans. There is more overt conflict, with a better organized racial minority group (e.g., NCV), confronting a local power structure divided along racial lines, and a large immigrant population (with significant Latin American, Asian, and African representation). While organized minorities in Marian are able to gain concessions, their interests and requests are more often suppressed by government officials who do not favor boat-rocking. With the influx of immigrants and the cold climate for Hispanics and immigrants nationwide, local reactionary policies toward immigrants have sown fear into the immigrant communities. Recently the county sheriff has taken up the 287(g) federal program, an optional program for local law enforcement officials to tap into federal identity databases in exchange for holding undocumented immigrants arrested for a crime for ICE officials, who then deport them. NCV, as a faith-based nonprofit organization run primarily by African Americans and some progressive whites, has joined forces with the Latino community and other pro-immigrant sectors of the community, including a Latino youth street organization, to fight implementation of 287(g). Although

initially the sheriff, a powerful and well-entrenched official, rebuffed these efforts, they have had some success in getting other local officials to listen to them. Nonetheless, numerous personnel in organizations that serve immigrants in the county have listed anti-immigrant sentiment as the number one problem in serving this community. They describe fear, hunger, and poverty as epidemic in these communities:

Historically in this community we see this backlash during rough times. The immigrants are blamed; they're scapegoats...Our government is guilty of extreme abuse of power—taking people in custody and denying them their rights. So we're trying to stop 287(g). In [other counties] a huge number of people have been detained and deported for minor infractions. The biggest problem is fear. Many of our people are very frightened (Karl, IFU, Marian Co.).

At my church we have ESL classes. Most people who come are poor...The people who come to our classes are good people but they live in fear like the Jews lived under the Nazis. That's what we're creating here...Those people who support what you're doing [implementation of 287(g)] live in a bubble! They don't know what it's like to live in fear...or hunger (Attendant at a community meeting, Marian Co.).

They claim police officers target racial minorities, and that local residents and officials scapegoat immigrants during rough times. Acquiring funding for “illegals” is difficult. Services for this population are sparse: “some are more cautious about funding...partly because there's less money but partly because election time, nobody wants to say, well oh we're only helping immigrants” (Rocky, IIRC, Marian Co.).

NCV is on the forefront of other anti-racist movements in the urban county. They have challenged some anti-gang policies that target and further disenfranchise youths of color. They have initiated Truth and Reconciliation projects (formally opposed by local government officials) to address past traumatic incidents of racism and oppression in the

county. They work to sustain historic African American neighborhoods, create sustainable solutions to poverty, serve and organize the homeless, and unite the faith community in progressive efforts. Although highly controversial and given the cold shoulder by various local funders and officials, they have acquired the “ability to convene” and organize various segments of the community to address issues. And although overworked and underfunded, this organization has amazing autonomy since they are not beholden to government funders or local foundations. Recently there have been many changes in local government personnel, with the firing of a county manager who supported investigations of racism in the local law enforcement (according to some key informants—this is not the official reason given however).

Another example of racial minorities being pushed around by the powers that be in the urban county is the planned placement of a sports park in the oldest African American community. This is a common scenario across cities in the southeastern United States, in which older African American or working-class communities are displaced by development, sometimes in the name of *community* development (see Fraser and Kick 2007). In this case, a local white Methodist college in conjunction with the city is building a sports park where a school used to be, to the dismay of almost all neighborhood residents and with little input from them. They see their neighborhood, their home values, and their modest way of life threatened by the noise, parking problems, traffic, trash, and bright lights of the imminent sports park. Their resistance to the plan, involving protests and letters, has gone almost unnoted by the media. Their plight is compared to a now extinct neighborhood nearby that was commercially developed, wiping out another working class African American

community. NCV has become involved in trying to help this community—I learned about their concerns at one of the weekly community meetings at the NCV center that some of the neighborhood residents attended.

Because NCV has an explicitly racial focus, founded in part by African Americans who have been activists since the 1960s, and this was one of the organizations that I focused on, it is perhaps no wonder that these racial issues come up repeatedly in my notes. What I learn from this is that there are organized elements of the community willing to stand up for the poor and disenfranchised, who see racism as part of the story, and who struggle to get support from elites in the community. Their plans for addressing poverty include job programs for the youth to improve the security and equity of working class homes. Many of their plans are resisted because government officials do not want to put money into those programs, and/or do not want to support organizations run by racial minorities and perceived as radical.

Efforts are made toward inter-racial unity, although I cannot accurately gauge how much unity exists throughout Marian County with my data. I can say that potential exists for significant cross-race antipoverty movements. The day shelter, for instance, brings together the homeless and jobless from working class white and African American sectors, although foreign-born individuals are not yet integrated into this organization. However, NCV makes efforts to foster inter-racial efforts, usually on behalf of Latino or immigrant issues. They hosted a Black-Brown conference in recent years to encourage communication and cooperation among these groups. But there is no movement that is not dominated by either



whites or blacks. The white progressives are more likely to address poverty through service provision and eschew confrontational tactics or grassroots movements.

### Woods County

The rural county might be described as an example of more traditional white-black racism, with a history of segregation and white racial superiority. One of my Parish informants, a white male, was a county outsider, in fact, who commuted from over an hour away and had few close ties in the community that were not linked to his administrative role. Throughout his time there, in his interactions with board members, church members, county officials, and the poor, he came to regard race as one of the major problems in addressing the issue of poverty. This was a recurring theme in his responses to my questions. He discussed being privy to many overtly racist comments and actions by board members and other county residents. And, as others have confirmed, there is an entrenched sense of apathy in the rural county—apathy to alleviating poverty, or changing the status quo. Segregation is also an issue—part of the reason this parish has been in trouble is due to divisions of churches among racial lines. Historically, integration came relatively late to Woods County. Another board member and parish volunteer (white female) with whom I spoke affirmed that racism has been and continues to be a problem, although she sees it more as a historical effect. She described how her father owned farmland and had black tenants, and how this was the common pattern until mills opened and tenant farming declined. Then when the mills closed, black residents did not have many opportunities. Although she affirmed that conditions have improved, the county is still behind in progressive outlook and equality. It remains

permissible among people in this county to use racist epithets openly (although I never heard any). She sees racial inequality as a holdover from previous racism combined with continued apathy among white elites. There is therefore somewhat less motivation to ameliorate conditions among the poor, and the split between African American and white residents also makes a unified approach less likely in the rural county.

This part of the story then fits in with the larger issue of public apathy toward poverty, especially on the part of elites. Even when race is not mentioned, nearly all service organization personnel in both counties see cultural attitudes toward the poor as a major barrier. However, whereas in the rural county, basic needs are addressed in a half-hearted matter, in the urban county there are organized elements of the community that challenge the status quo, although their power is limited. Part of this is due not only to the local political structure, but to the fact that national policies support the status quo, and global economic changes make it increasingly difficult to empower low-income workers. It is more difficult to help disenfranchised people find jobs or maintain a sense of hope. These activists and service providers are up against racial and other forms of discrimination, widespread substance abuse, criminalization of the poor (particularly the undocumented poor), the lack of quality jobs, immigration pressures (for the urban county), lack of a safety net for the poor, and private disinvestment (especially for the rural county). There is already despair that most of the stimulus money will never even reach the bottom of the pile, including the undocumented, racial minority communities, and the chronically poor. Locally, this is reinforced because poor racial minorities, particularly immigrants and youth in the urban county and blacks in the rural county, are cast as undeserving, and thus major redistribution

is resisted by political elites and their influential constituents. Historically in the U.S., the enduring ethic of individualism, rehashed and further institutionalized under neoliberalism, places the blame for racial inequality on the individual. Racist stereotypes of welfare queens, lazy blacks, and immigrant criminals intentionally disseminated by white conservatives through the media further suppress support for major redistributive measures (Quadagno 1994; Schram 2006; Bloch 2009).

## DISCUSSION

To summarize, there are local factors that matter for how poverty is actually addressed. These factors, such as economic vitality and other community capitals, can mediate the impacts of external factors such as federal policy. In other words, such variance in community resources may translate into very different policy results for different localities. In fact, program and funding decentralization have increased the importance of these local factors for how the poor are served, which also exacerbates inequality between places. Clearly, there are rural-urban implications considering the different economic and social factors that tend to characterize these places. However, there may also be some community-level characteristics that are not demarcated along the rural-urban line, such as social capital or level of inequality. Social capital is not necessarily higher in rural areas, even the bonding form. The community capitals do reinforce each other, as inferred by Emery and Flora (2006) and Agnitsch, Flora, and Ryan (2006). For example, the presence of fairly strong social and cultural capitals contribute to the vitality of community empowerment organizations in the urban county.

Racism can interfere at the local level (in addition to extra-local factors that decrease the chances of racial minorities finding quality employment). Racism can stunt motivations among government officials, tax-payers, and private philanthropists in both counties to help the poor. In the urban county, I see this occur especially for foreign-born immigrants. In addition, racist and classist tactics are used by local developers and government officials when elites stand to benefit, such as urban renewal and the case of the sports park. Elites try to maintain power and resist giving organized segments of traditionally disadvantaged groups too much power or credibility. But an organized minority can at least fight back, whereas in the rural county, progressive change occurs at elites' preferred pace.

In addition, inequality within locales is escalated by environmental factors that operate outside the influence of locals, including welfare reform and the globalization of production. Both counties encounter intractable challenges in terms of overcoming obstacles such as the competition for businesses, lack of viable employment, the power of conservative elements of the community, and lack of public resources for the poor and their service providers to draw upon. Moreover, eliminating the roots of poverty at the local level is difficult, given that poverty is a systemic outcome, resulting from a lack of "good jobs," low political influence, and the requirement of a (neoliberal) capitalism system that resources are put toward growth and accumulation rather than spread out to ensure less inequality (see Polanyi 1944; Blank 1997; Shaw 1996; Bourdieu 1998; Bradshaw 2007 for further discussion). Indeed, neoliberal responses to economic realities are observable in the urban county in particular—the lean manufacturing forums are an attempt to adapt to the competitive economic structure. Economic development efforts are in part aimed at

providing a good business climate, which shifts resources and power towards owners of capital rather than laborers.

It is not entirely for lack of trying that certain local leaders in Marian County have not made much progress on eliminating homelessness or poverty, at least in an official capacity. But officials are loath to simply “throw money at the problem”, or significantly increase the amount of money that goes directly to the poor. As mentioned already, political elites do not have much incentive to address the issue of poverty given that much of the middle-class tends to be against taxes and redistribution. Agencies and community empowerment groups can draw upon local social and cultural capital, but are likely to remain limited in the face of resource constraints and global-local realities.

## CHAPTER 5

### ORGANIZATIONAL CAPACITIES AND LIMITS

Organizational capacity is important for examining what agencies can take on in the context of local factors, economic recession, devolution, and welfare policy changes. In this chapter I first define capacity and discuss key features of capacity. Then I describe the levels of capacity for organizations in the study. I analyze variance in capacity across organizations and place, then turn to discuss how the economic recession and recent policies have interacted with organizational capacity to impact service provision to the poor. I find that organizational capacity does vary for the two counties, and that this is important for how organizations are able to respond to environmental challenges, including welfare reform and related policies. I discuss at length how national and state policies, specifically welfare reforms and devolution, have heightened the importance of local organizational capacity by increasing strain while also negatively impacting the capacity of local organizations and communities directly. It is clear from this analysis that rural organizations, public and private, sustain much lower levels of capacity than is needed to respond to policies that lay additional burden on them in assisting the poor's survival. For rural organizations, other agencies located outside of urban centers, and organizations serving immigrant populations, organizational capacity is wholly inadequate. Some of the urban organizations, however, enjoy fairly high capacity in the form of larger paid staffs and more extensive networks. Thus, devolution exacerbates place-based stratification—less developed places with higher poverty rates are even further disadvantaged by social factors.

Yet, even some organizations with high capacity find it difficult to adjust to the changes that welfare reform has brought about, including increased clientele need. Welfare reform, devolution, and neoliberal trends in philanthropy have strained organizational capacity to serve the poor. In both counties, organizations find capacity stressed by these economic and political environmental changes. As organizations compete for funding, they spend resources toward acquiring and following requirements for grants. Furthermore, the most desirable form of capacity is difficult to achieve. For instance, although ties to other individuals and organizations matter, a wide network that includes not only external actors, but also local leaders, community organizations, and the low-income community is most desirable for organizational capacity and autonomy. There are, in short, serious limits to the ability of local organizations to address poverty at the ground level in the current environment.

## DEFINING AND MEASURING CAPACITY

Organizational capacity is generally defined as those features of an organization which, when activated, can assist an organization to meet predefined goals. As Eisinger (2002) points out, capacity attributes “are latent until they are used” (116), and he defines capacity “as a set of attributes that help or enable an organization to fulfill its missions” (117). For social service agencies then, capacity is related to attainment of service goals and also to the maintenance of necessary funding levels which may vary according to demand (Eisinger 2002). The ability to maintain funding levels presumably re-acts on capacity. Several key features of organizational capacity listed in the literature include embeddedness

and networks; resources; professionalization; and institutionalization (Eisinger 2002; Glickman and Servon 2008; Zakour 2008). My use of embeddedness refers to how well agencies are linked to other individuals or organizations from which they might ask for assistance, input, or information; garner resources and support; recruit clientele; and draw upon norms and values (Silverman 2001; Gittell and Weiss 2004; Small 2006). Networks can be internal, including other local leaders and organizations in the county, or external, including state government personnel, national organizations, similar organizations in other communities, or philanthropists who work in national foundations. Resources can involve funding, space, and assets. Professionalization often includes the presence of paid professional staff, and institutionalization refers to established rules and procedures. Measuring capacity is difficult because it is largely intangible—certain features could be argued to impact capacity rather than make up capacity. For example, the institutionalization of grant-writing may indicate capacity of an organization in terms of ability to secure funding, or else it could be seen as a potential factor in the capacity to secure funding.

For the purposes of this project, I measure organizational capacity in terms of: the number of paid staff; embeddedness in the community; networks with other organizations; and networks with extra-local actors (the former also forms of embeddedness).

Embeddedness in the community can be seen as a feature of capacity in terms of reaching clients and volunteers, and acquiring public support. Networks with other organizations potentially provide needed information and opportunities for collaboration. Networks with local actors can be key for accessing external resources and information, and can also lead to collaboration. In addition I examine the use of grant-writing, success in responding to



grantor requirements, and not cutting programs considered effective or needed in recent years as basic potential outcomes of capacity. Because the ability to maintain adequate funding can be seen as an effect of organizational capacity, and the level of funding may fluctuate without regard to organizational capacities, I will not include amount of funding *per se* as an attribute of capacity. However, it makes sense to presume that changes in funding availability will impact organizational capacity.

In this section I examine the capacities of local government in the two counties, and then that of private sector or nonprofit organizations. Organizational capacity varies within and across the counties, with profound implications for the ability of locals to serve the poor and the ways in which they are served. Because the level of embeddedness in the community is important for capacity, and yet, a level of autonomy also seems to benefit the capacity of an organization to remain flexible, I apply Peter Evans' (1995) concept of embedded autonomy to the county nonprofit agencies. Embeddedness for Evans refers to the advantages of networks between the state bureaucracy and social groups, which provide decentralized implementation as well as crucial information for state actors. At the same time, autonomy in the form of meritocratic recruitment of competent bureaucrats and the reduced danger of clientelism is as important. However, I have altered the conceptualization of autonomy to fit the level of organizations. Whereas Evans examines national governments, I analyze mostly non-profit organizations. Therefore, I conceptualize autonomy as autonomy from non-client sources, such as funders or other environmental actors, or the ability to shape service provision according to the organizational missions and clients' needs. I gauge the level of autonomy for organizations through informants' comments about the freedom they have to

shape services and rationales for the process of providing services. Although at first glance the concept of embedded autonomy seems paradoxical, for Evans, the two subcomponents in fact mutually reinforce the efficacy of the other. The *type* of embeddedness seems to matter, and I analyze county-level and external (regional, national, or potentially global) networks of the organizations, when the data is available. (I list my ratings of organizations on these characteristics and others in Tables A1a and A1b in Appendix B).

*Local Government: Department of Social Services*

Marian County DSS (Urban)

Since local government is not as dependent upon volunteers as nonprofit agencies are, most staff members are paid employees, and many hold degrees or certifications. In the urban county, DSS is constructed of a large bureaucracy of directors, program managers, and social work professionals. In the main city DSS office, there are 24 social workers and 18 cash workers in the Work First program, plus 8 supervisors. There is one DSS office in the main city, and one in Milton. Funding sources include the federal block grant for Work First, federal dollars for crisis intervention program, and county dollars (\$300,000 annually) for rent and utility assistance. Despite the large size of the DSS, Work First is reportedly understaffed. Valerie, an employee in the urban Work First program, suggests the biggest challenge they face is not enough staff to work with the number of clientele: “Right now trying to reduce the number of people that we’re working with –oh that’s bad to say that! But we do a fairly good job with the staff we have. We need more staff.” Caseloads are high, although as Valerie claims, caseworkers may indeed do their best to serve clients regardless.

But in an urban county with high demand for services, not enough staff can interfere with capacity, particularly since the mission, as defined by the federal government, has shifted toward assisting clients to attain employment—a complicated endeavor—rather than simply processing applications and distributing checks.

Marian County DSS is fairly well embedded in the community, as it is the typical first stop for people in dire circumstances. DSS personnel work with other governmental and private organizations to provide services to clients in Work First, emergency assistance, and the foster program. Referrals are numerous, and the networks extensive. For example, they have close working relationships with City Ministry, Work Solutions, Goodwill, Family Services, Employment Security Commission, and JobLink, and there are DSS workers stationed at some of the organizations, including Work Solutions, Goodwill, and JobLink. The Director describes it as “a great collaboration.” In the local community, at least, DSS is part of a wide network of organizations.

In terms of autonomy, although Evans would characterize the U.S. government in general as autonomous in terms of Weberian bureaucratic standards, Marian County DSS is beholden to higher levels of government. Like other county offices in North Carolina, Marian County has some liberty to determine how to provide government services like the workfare program, however, they must meet strict predefined goals set by higher level government officials. Therefore their autonomy is, relative to other organizations in this study, fairly low.

While the Marian County DSS Work First program has had some problems in meeting grantor (state and federal government) requirements, they are instituting new

procedures to minimize this problem. As described in greater detail below, Marian Work First is shifting to a Pay for Performance policy, whereby state requirements that a certain percentage of cash recipients be involved in 35 hours per week of particular work-related activities should automatically be met by providing checks only to those who document all 35 hours per week. They are also successful in obtaining state demonstration grants, which are used to experiment with new programs and policies. They appear to have some external ties to the state in terms of obtaining grants and recognition. Because there is a large number of paid staff and good embeddedness in terms of networks with the community, local organizations, and external actors, I characterize this organization as high capacity. Furthermore, this high level of capacity bears out in the presence of grant-writing, steps taken to better respond to funder requirements, and little evidence of program cutting. Overall, then, Marian County DSS, as a fairly high capacity organization, should be able to adapt to changes in the environment in order to fulfill the agency mission. I discuss how their lack of autonomy might impair services in the policy effects section later in this chapter.

#### Woods County DSS (Rural)

The Woods County DSS office is much smaller than the Marian County DSS. It consists of eight supervisors and one director, and in Work First, there are two caseworkers. Funding sources are primarily federal government funds channeled through the state. They do not receive state demonstration grants. DSS staff list lack of resources as a major problem, including funding, number of staff, and space. But, additional funding is not

necessarily sufficient to solve problems because of a lack of capacity to use the funding, as one key informant explains:

If our program is expanded then that would impact us. We need more staff, not just more money. I've heard there's a federal or state stimulus package opportunity for people to purchase Medicaid—they pay a fee to get the coverage at \$50 per child per year. Displaced workers—they're trying to get it where they can purchase at a premium. This would have to go through eligibility. And that is great, but how are they going to put me in power to be able to do that? (Daryl, Woods Co.)

Many funds are earmarked for direct service provision, and cannot be used to add more staff.

Many supervisors fill multiple roles. The Work First Employment Services supervisor also supervises the Child Support and Daycare programs. The Food and Nutrition supervisor also heads the Fuel Assistance program.

There is some limited coordination among organizations in the community in the form of referrals, and serving on different agency boards. There is also some informal coordination in reference to particular clients. But due to the small size of the county and limited county resources, the network is not extensive. Relevant information about other services is not always provided to clients. There are occasional local meetings between agencies:

We have an interagency council like [SmartStart Children's Center] and us, a few of the nonprofits, and the government agencies get together to talk about solutions and things they can try to do. But, once again, it becomes a moot point because each agency is working toward their own little niche, so that any real interaction really doesn't happen that much (William, Parish, Woods Co.).

Although DSS and other agencies give referrals to the Parish, it is not as formal a process as in Marian County. Coordination is generally sporadic and informal, occurring when agencies

need to pool resources to serve residents. The level of coordination is clearly inferior to that of Marian County. In all, the level of capacity of Woods County DSS is fairly low: there are not enough staff, and limited networks. This also means a lack of grant-writing and difficulty in responding to state requirements. It is also reflected in their bare-minimum strategy of serving the poor (discussed further in the next chapter). And, like Marian County DSS, autonomy from higher levels of government is low due to restrictive requirements in the Work First program.

### *Nonprofit Organizations*

#### Marian County (Urban)

City Ministry in Marian County is a very large organization, with about 50 paid staff members. Many paid staff members are locals who graduated from institutions of higher education located within the county. Some are clergy, or have religious credentials. As a social service agency and philanthropic organization, City Ministry is well-known throughout the community, among the poor and elites alike. Many community members volunteer at the agency—on any given day there are over 100 volunteers. As a faith-based organization, their mission is (in sum) to express the goodness of God by serving basic needs in the local community. The agency is heavily supported by congregations, foundations, and also by individual donations, mostly from within the county. This is followed by government support in the form of grants. Direct public support provides the vast majority of funds. In recent years they have expanded programs, and even more recently, in response to economic distress, expanded the number of times clients can access the food bank. The consistent

retaining of funding and fulfillment of grantor requirements are achieved with a considerable bureaucracy and institutionalized rules and procedures. City Ministry is also part of an extensive network of county agencies that rely on a system of referrals. There are regular board meetings, staff meetings, and sometimes community meetings at City Ministry. One of the employees describes an example of inter-organizational cooperation:

Another example of how we work together, right now we, um have gotten some federal money, we were approved for a grant, an [X] grant and it's a partnership between four agencies: us, [Helen's] House, [Y Center], and [Opportunities for Youth]. All four of these agencies serve some, um, serve the homeless population. [Opportunities for Youth], um, at risk youth, [Y Center] mainly works with veterans, men, but we're, it's, um Americorps, under this grant, there's twenty-one paid positions, so we have technically twenty-one paid volunteers. They're part of Americorps program that are volunteering at all four of the agencies...That's another way we've come together (Joyce, City Ministry, Marian Co.).

City Ministry personnel are able to tap into a vast network of organizations and government personnel to achieve some goal. They do have more flexibility than DSS to develop programs. Their level of autonomy is limited, however, by funder requirements to demonstrate how funds are spent, and to ensure funds are used most efficiently. This is evident in the intricate documentation process for emergency assistance. They are embedded in a network of local organizations and to some extent among the poor, although their funders have more influence on capacity and resources. Overall, this is a high capacity organization, in that there is a large number of staff and high embeddedness (locally at least); Indeed, they demonstrate success in grant-writing and retaining grants and an ability to retain and even expand programs.

Work Solutions is a medium-sized organization, with 13 paid staff members. They rely heavily upon grants, in addition to government contracts. Work Solutions is also part of a vast county network of organizations. They have become more embedded in the community over time, because they provide material goods to the low-income population and other social service agencies. Low-income individuals (who are referred by DSS) and agencies that serve low-income individuals (who are contacted by Work Solutions or discover them through word-of-mouth presumably) attend the Work Solutions warehouse to purchase discounted supplies. These items, often household items, but potentially any sort of basic non-luxury good, are obtained through national charities and agreements with major retailers that may have surplus. DSS and the county public school system have arrangements by which their clients obtain necessary items through Work Solutions, or in the case of DSS, they may refer clients to the training program. They have built up a number of community partners within the county, and conferences are sometimes held at Work Solutions facilities. They are also successful at obtaining/retaining grants, and have much credibility in their organizational field, at a national level. Hence, they are embedded both within the county and within the regional and national environmental field (i.e., nonprofit management, foundation, and government grants). The agency also has many connections with the low-income community. The organizational capacity of Work Solutions is among the highest in this study. Their autonomy also appears to be high, in that they evince the flexibility to adapt employment programs as needed and to continuously construct agreements with corporations and other nonprofits throughout the country. For example, they recently switched from training students in one skill to another based on changes in the value of different skills.



Frank, a high-level employee of Work Solutions, notes that, “We have to keep a pretty close ear to the ground to see what’s happening.”

New Community Vision (NCV) is an altogether different organization than the two previous, in that its focus is community organizing and advocacy, not direct services to the poor. However, they also have a program that involves providing food and shelter during the day for the homeless and other community members. NCV members take a more holistic view of serving the community, and therefore combine such service provision with community organizing. Their mission is somewhat more challenging: to build a new community based in principles like respect, love, equality, and peace. Their capacity lies in their embeddedness within the community: among the disadvantaged segments, among other progressive members, and to some extent among the power-holders in local government. They hold weekly community meetings and engage in regular community events, such as issue meetings, intergenerational programs, inter-race and inter-faith efforts, and so on. Organizational leaders are also well-established in extra-local progressive circles, and have much organizing experience.

NCV employees have enormous flexibility to shape services. Their autonomy, as defined by Evans, is nearly nonexistent. They do not have a formal bureaucratic process by which tasks are completed and objectives defined. It is a more open, democratic process. But they do sustain very high autonomy in the sense that funders do not influence their objectives or their methods. Rather, they emphasize the interests of the powerless. Further, they rely on only a handful of employees, some paid and unpaid interns, and several regular volunteers. The workload is quite high for core organizational members. Funding comes

from individual donations and extra-local (national or regional) grants, but is not secure. Programs fluctuate over time according to the perceived needs of the community. Currently, a community gardening project is just underway to provide for the homeless and the wider community. Thus, while NCV has enormous capacity in its social capital and networks, both internal and external to the county, it is heavily reliant on organizational members, community members, and volunteers to continue their agenda. I characterize the capacity of NCV as medium-high because of a small number of full-time paid staff (about 3-4), but high embeddedness. There is some grant-writing and recent expansion in social service programs, namely for the homeless and unemployed.

A range of smaller organizations and organizations based outside the main city sustain a wider variation in capacity. Two ministries in Milton, Milton Ministry and Neighbor's Ministry, provide services analogous to those of City Ministry, but in different neighborhoods. Milton Ministry has been around for several decades, and is well-established in the community. Neighbor's Ministry, although much younger and smaller, grew out of community efforts and so is well-entrenched in the neighborhood. Much of its funding comes from individual donations from neighborhood residents. Both have added programs recently. Milton Ministry, while smaller than City Ministry, sustains a paid staff of 9 full-time and about 15 part-time employees, and five different programs addressing food, rent and utility payment, shelter, and substance abuse needs. Neighbor's Ministry has only one paid staff member, the Director, and relies on volunteers for other duties. Although these agencies are networked with other organizations in Milton and in Marian City, the inter-organizational arrangements do not seem as extensive or as well exploited as in Marian City.

For instance, the Milton city government does not help fund the ministries as Marian City does for City Ministry. They have a smaller variety of community partners (including the major players such as DSS and Salvation Army), and Neighbor's Ministry is still in the early stages of forming these partnerships. These organizations are medium-capacity organizations.

There is also a newly-established Day Center in Marian City for the homeless, which emerged out of a community initiative to provide a place for people to search for jobs and access needed resources, including taken-for-granted resources such as laundry facilities, showers, bus passes, and computer access. The Day Center serves as a central location by which the homeless or those in economic distress needing housing, jobs, and social services can find community resources. Sometimes there are classes or Bible study groups. If nothing else, the Day Center provides people with a place to sit inside during the day. There is heavy reliance on volunteers, with one or two paid staff members. Procedures are informal. They have a close relationship with City Ministry, and Board members work to extend their networks and bring together different resources for clients. Funding is primarily local, although organization leaders also make efforts to learn from day centers in larger cities outside the immediate area. In this early stage organizational capacity is still in development, but it has the potential to grow into a medium capacity agency.

I also spoke with an informant from the Social Rehab House for Women, a shelter and rehabilitation program for female ex-offenders coming out of prison. This is a small agency located outside of the city in Marian County. The Director does not have time for grant-writing, as she is the only fulltime paid staff member. The agency is thus low on staff

and funding capacity. The Director has had to cut programs due to lack of funds and time (staff). Furthermore, while the agency includes a thrift store as the public face, and has been accepted into the community, networking with other organizations is minimal. Ties to organizations outside the county are nonexistent. The agency serves a vital role in helping women clients, giving them a place to stay, resource referrals, and someone who cares; however, full rehabilitation into the community is difficult to achieve for these women who have so many barriers, many of which the agency does not have the capacity to address.

Organizations that specifically serve immigrants also have lower capacity than the larger organizations such as City Ministry. Although often established in some immigrant communities, these agencies are not well-embedded in the wider county. For example, Arnold of African Immigrant Services, a refugee and immigrant organization, states that, “Competition with other local organizations is very hard. Money will come to the city and lots of times they don’t even know there are refugees suffering.” Karl of International Faith Unity (IFU) says, “[The local] Salvation Army is very rigid—they refuse to serve anyone without a social security number. We’ve been working on them for a while, but to no avail.” The immigrant-oriented agencies do have some networks with each other and with other social service agencies (both within the county and throughout the state), in terms of referrals particularly. But they are low on resources. Arnold also noted, “We don’t get enough money, and it is difficult to train and hire full-time. We have a good staff and stable, they go beyond their duties, but it would be better to train and hire full time.” Michael of IFU also notes that, “Thus far we have not had to cut programs. We are bare in funding—we are \$16,000 behind in donations compared to this time last year. And we have seen an increase in

cost of delivering services. So unless we can raise a significant amount of money soon, we may have to cut programs.” For IFU, “Funding sources are mainly individual donations and religious organizations. The budget has grown—it has doubled in the twelve years we’ve existed. We are intentionally grassroots funded. I decided not to seek foundation grants because we do not want to be dependent on them” (Michael, IFU, Marian Co.). IFU funding is mostly local. This grants them some autonomy from external funder requirements, but the networks that they are embedded in are contained mostly of other like-minded agencies that also face resource-scarcity. Thus, IFU, which does have a handful of paid staff and does have an extensive referral network with other service agencies, both immigrant-oriented and general, is vulnerable to environmental changes. They are worried about service cuts to undocumented and other immigrants like refugees who have few opportunities to become integrated in the wider community. In terms of number of paid staff, extent of grant-writing, and having to cut services, organizational capacity is very low for these agencies.

#### Woods County (Rural)

JobLink in Woods County has loose ties to other organizations and is not well-entrenched among the relevant community. There is a hesitation among the poor to use their services. Staff members suggest this is due to the community college campus setting being intimidating, transportation problems, and failure of DSS personnel to send clients to JobLink or to require them to attend the JobLink courses. There is also limited coordination with other agencies in the county. JobLink staff members have a meeting once a month and reportedly invite all county agencies to voice and discuss issues and concerns. Also, the

handful of paid staff report they are overworked, but they are able to engage in grant-writing, although they are only partially successful in retaining the grant money:

[Workforce Investment Act] funds support JobLink itself. Federal funds go to the Department of Commerce, then to the Division of Employment and Training. They put out competition bids—their board puts out a bid for these funds. We’ve won them now for over 30 years. Over the past five years these funds have decreased. JobLink Enhancement Funds—five years ago the state set out a funding type of incentive. There are three levels for JobLink. Level 1, if you just meet minimum requirements, you don’t get money. Level 2, you get \$20,000. Level 3, \$50,000. Last July we were notified that there were no more enhancement funds. It’s fortunate we get outside grants, otherwise we couldn’t keep the staff. We get money from [ABC Program] with [Other] Community College over the next two years. Part of my job is to write grants and my supervisor does also—it is a community effort. [ABC Program] funding is for workers who lost jobs due to trade overseas. That’s a big pot of money. So we’ve had to go to private foundations for money, which has allowed us to provide specialized services (Angela, JobLink, Woods County).

The community college setting provides some additional capacity in terms of staff and resources, but with few paid staff in the program and limited embeddedness, Woods County JobLink has low to medium-low capacity as an employment service organization. Further, they have faced limited ability to retain grants and threats to some of their programs. Autonomy is also limited, in the sense that they are constrained by funder requirements. Grants determine the programs available, rather than the directors’ initiative or local client needs.

The rural Parish, whose mission is to ameliorate poverty, can also be categorized as low-capacity. Grant-writing was not a possibility during the study. There are only three paid employees, one of which is full-time and clearly over-worked. The former Director’s position was abolished, and the Thrift Store Manager became the Program Manager. Staff are not well-trained, there is a lack of space, and procedures for services are informal.

However, there is good engagement with the community, and they are well-known as the primary social service agency besides DSS. They maintain the only thrift store in the county, thereby sustaining a public face. They have maintained relations with DSS, Family Services, the public schools, and different churches. They are well-connected to low-income communities as the main private service provider in the county, but their activities are influenced heavily by Board members from more elite segments of the community.

However, capacity remains low overall, as evidenced by recent and deep cuts in programs and services. They have struggled just to keep the doors open. Autonomy to determine programs is in a sense higher than that of Marian's ministries, because the funder requirements are not nearly so strict, and they are able to partially fund themselves through the thrift store and church donations. Unfortunately, their limited capacity hinders the ability to expand services.

Since this study took place, however, the Parish was able to win a grant in the tens of thousands of dollars. A community pastor on the Board agreed to write a grant proposal, and elicited some assistance from myself (an external connection) in the process. This will allow them to keep the doors open for the time being at least. However, there are no plans currently in place to expand or add services. Rather, the funds are needed to maintain the organization's survival.

The Family Services and domestic violence shelter of Woods County is slightly higher in capacity than the Parish, although missions differ, but remains lower-capacity than shelters in the urban county. As the only agency providing free shelter in the rural county, this is problematic. Family Services' mission is not to ameliorate poverty per se, but in

addressing domestic violence and safety by providing shelter and other assistance, the agency serves women and children who were or have become impoverished. The organization is not wholly lacking in capacity: there are 8.5 paid employees, including a Director and Assistant Director with some professional training in domestic violence. Both the Director and the Town Manager, who serves as a part-time employee for the agency, engage in grant-writing. In addition they are able to provide a variety of services to the community, such as 24-hour hotline service and referrals, court advocacy for victims of domestic violence, and awareness-raising. However, there is still a shortage of staff, and they have not been able to maintain a steady stream of funding. The Director feels the time she has to spend on grants takes away from her work with the clients. And they have not been able to develop a reserve of funds for times of general funding shortages, like this ongoing recession. The Director does sustain ties with organizations outside the county by applying for state grants and attending state-wide conferences when made possible by time and funding circumstances. There is also some limited inter-organizational coordination and outreach to the community. They hold a banquet every year, where many people from different organizations and sectors of the community reportedly attend. But the participation and involvement of board members has been minimal. Thus Family Services of Woods County may be considered a medium-capacity organization. The grants they receive however involve many strings, and there are strict requirements for the organization as a domestic violence shelter. Therefore they have limited autonomy.



## COMPARING CAPACITY ACROSS ORGANIZATIONS AND COUNTIES

I make two arguments regarding the variation in capacity across organizations and the two counties. First, it is evident that rural organizations are lower in capacity compared to large urban agencies. I consider this a result of the resources that are available to them in their counties, including funding and important ties. Second, I argue that the types of ties matter for whether embeddedness and networking enhances capacity. Wide networks appear better than specialized networks, and embeddedness in the community and clientele provides more autonomy than does merely having established links to funders. I apply the conceptual apparatus of embedded autonomy to make sense of these findings.

But first, I argue that organizations in Woods County and some that are located in Marian County outside of the cities, tend to have lower capacity to help clients and obtain needed resources. For example, the small shelter in the urban county for female ex-offenders, the rural Parish, and the shelter in the rural county all have difficulty obtaining grants and meeting demand for various programs and services. Several of the urban organizations are high-capacity in terms of their ability to react to challenges and to serve large amounts of people in a variety of ways. Work Solutions and City Ministry do this, respectively. New Community Vision may also demonstrate high capacity in terms of ability to organize the community and convene with different elements of the community. The ministries in Milton demonstrate their capacity with the immense growth in programs they have recently experienced. The larger and more established Milton Ministry also serves a large number of people (over a thousand families per year in emergency assistance), with various programs similar to City Ministry.

Capacity is also an issue with local government. Although federal funds were cut for social services in past years, Marian County DSS was able to obtain a Demonstration Grant from the state (a state initiative to develop better models for social services). By contrast, Woods County DSS personnel note that even if they were to obtain additional funds for services, they would not be empowered to deliver those services effectively due to severe shortage of staff. DSS did ask the county commissioners to approve the filling of two vacant clerical positions, but this was narrowly approved and contributed to some tensions between commissioners, according to a local reporter. DSS informants in both counties report lack of staff. But in the urban county, this lack of staff is related to high demand and high caseloads. In the rural county the lack of staff is program-related—some services are difficult to provide at all. Hence the problem is more acute in the rural county where additional funds do not automatically translate into more or better services because staffing is insufficient.

There is some evidence that the concept of embedded autonomy (Evans 1995) can be applied at the organizational level to social service agencies. Organizations that are embedded in a variety of networks in particular tend to maintain higher capacity in other ways as well. And organizations that are bureaucratic in the sense that there is a larger number of paid staff and grant-writing is institutionalized, are also considered higher in capacity. However, autonomy in creating objectives and methods may not always correspond to the type of autonomy Evans described, because organizations operate in a different field than do nation-state governments. A highly formalized bureaucracy can operate to serve the interests of another group, quite distinct from the interests of clients. In fact, organizational and nonprofit scholars argue that environmental pressures to appear

efficient and effective may impinge on the organizational structure. (Here I am foreshadowing the next chapter where I discuss strategies and it becomes clear how this occurs.) DSS, for instance, is embedded in the community, but it is not directly “democratic”—it is controlled in large part by federal and state policymakers. Thus, for both counties, DSS is necessarily tied to federal and state requirements. As discussed in the next chapter, autonomy from elites, funders, and to some extent, the public, holds implications for the organizational strategies employed.

According to this adapted model of embedded autonomy, the ideal type of agency would be:

- embedded in different types of networks—including among the poor so that their interests are properly represented, but among elites as well so that the social capital can be transferred into political capital;
- autonomous in the sense of internal capacity—a bureaucratic process that appropriately channels efforts and assists organizational members to obtain the necessary funding;
- but, unlike states in Evans’ typology, not too formal so as to preclude a flexibility and responsiveness to the poor.

Work Solutions comes closest to this typology, perhaps, although NCV does better at translating the poor’s social capital into political capital. Ironically, this is due to their democratic nature and their flexibility.

Furthermore, those organizations that serve a large segment of the poor versus a targeted sub-group, such as immigrants, refugees, or women released from prison, tend to maintain better embeddedness in the community and in the larger network of service provision organizations, at least in my sample. These agencies may be better embedded in their own target communities and with similar organizations, but these linkages do not appear to have the same benefits as the more extensive ties of large urban agencies such as City Ministry, NCV, Work Solutions, and even Marian County DSS.

The variation in organizational capacity between the two counties is related to the local contextual factors discussed in chapter four. The material and community resources available in the urban county can better support features of organizational capacity, such as inter-organizational ties and adequate staff and space, and thereby foster the continuation of good programs and services. It is difficult for some local areas such as Woods County to support organizations with sufficient capacity to ameliorate poverty without significant outside intervention. Thus, less developed places with higher poverty rates are even further disadvantaged by social factors, reinforcing a spatial inequality formed through economic processes. But, as I discuss next, there are also economic and political factors that, given such variation in socio-economic conditions, worsen the chances of disadvantaged localities while failing to assist even the more advantaged localities.

## IMPACTS OF THE ECONOMIC RECESSION IN RELATION TO CAPACITY

With state budget crises and increased demand related to higher unemployment, funding is tight for most service providers in both counties. For example, in both DSS

offices, there has been an increase in the number of households with someone receiving Food Stamps: in Woods County the number increases by 24% between December 2007 and December 2009, and in Marian County it increased by 44%.<sup>11</sup> Although Food Stamps is a federal entitlement program, this increase provides some sense of the increase in households seeking services. Rural agencies are particularly stressed by increased demand combined with decreased funding and shortage of staff. Daryl of Woods County DSS informs me that, “On top of the workload, when you’re short on staff in this agency, it is tough. We almost all work overtime. Economic conditions have certainly affected us in that way, and in the increase in the number of folks who need assistance.” Further, the little money that the rural Parish has to work with is used up more quickly. However, the impact on Woods County and organizations there has not been as dramatic as it has for Marian County, because they were already experiencing tough times. In Marian County the number of homeless has increased and this has also put a strain on service providers.<sup>12</sup>

But different agencies are affected in different ways, according to capacity to acquire funding. The agencies that serve the immigrant population have experienced sharper declines in funding and a more desperate clientele. Arnold of African Immigrant Services stresses the cuts in grants they have lately received: “We had hoped and are still hoping that stimulus money will trickle down. But we don’t see how. Competition with other local organizations is very hard.” Similarly, Michael of International Faith Unity (IFU) in Marian County notes that donations are down and they are having a difficult time keeping services

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<sup>11</sup> These figures were calculated employing the web site maintained by Duncan, Kum, and Flair 2009.

<sup>12</sup> The official count of the homeless for Marian County is over 1,000. However, anecdotal evidence and counts of homeless children in schools suggest that this number increased during 2009.

available for immigrants. On the other hand, although Work Solutions has experienced a decrease in funding, they expect to make up for it with federal and state grants: “We lost some money, like everyone has...But we’re gaining in some other areas. The stimulus money will make a difference” (Frank, Work Solutions, Marian Co.). In times of hardship and stretched resources, organizations that are better-embedded in the larger community, and enjoy greater legitimacy (e.g., Work Solutions versus immigrant-oriented agencies) are better able to secure the funding needed.

To summarize, in both counties conditions are difficult for the low-income population and it is more difficult to find employment. There have been increases in demand on all service providers. But the high-capacity urban organizations are better able to deal with this increase in need, and have held on to or increased funding. Smaller and lower-capacity organizations in Marian County reduce services, passing on this reduction to clientele. Recent foreign-born immigrants probably suffer the most. All rural agencies are negatively affected, with less variation among them.

## EFFECTS OF DEVOLUTION AND WELFARE REFORMS

Devolution, or the reduction of federal involvement in local areas, involves decreased federal funding and the use of block grants to states for services. Cities, counties, and states are expected to pick up the tab and also take advantage of federally-granted autonomy to create their own locally-specific programs. Unfortunately, the effects of this decentralization at the state level involve state budget crises, as states and local areas are unable to raise sufficient funds for government services, in part due to anti-tax sentiment among the public

and the struggle to retain and attract businesses. In addition, federal funding for direct government-provided services has decreased in favor of contracting to the nonprofit and for-profit sector. Have these devolving government trends weakened the civic sector, as Wolpert (1997) and Alexander (1999) claim?

I find that in the urban county, Marian, there is now an increased strain on the civic sector. DSS is highly dependent on other agencies. DSS relies on other providers to serve clientele because they cannot provide all of the necessary or desired programs themselves due to lack of staff. Delores of DSS notes, “We make referrals to the community, and as a community we collaborate and we utilize resources throughout the community to try to assist the family, come up with the amount of money that they need.” Initially, after PRWORA passed, there was a flood of funding to aid the transition:

I think during that time there was a lot of money. A lot of federal grants in the community to help them get to be self-sufficient...a variety of local DSS's had additional dollars to transition the program so that it would be successful. And local nonprofit, government agencies, everybody was trying to come to the department of social services to help because they wanted a piece of the pie. Because we had all this money to help transition from welfare to work. During that time what we saw were a lot of contacts, a lot of collaboration and coordination within the community...We wanted to make sure that we were able to serve the population, we felt, whatever the needs were, every time we identified a barrier that prevented a family or a group of families from becoming self-sufficient, we wanted to contract with an organization that we felt could help us remove that barrier for the family. So we had a lot of contracts, a lot of coordination, a lot of collaboration in the community, and that was great. [Delores, DSS, Marian Co.]

But then, Delores asserts that, “the money has dried up. All of the money and resources that we had in 1996, 97, 98, are no longer available... we no longer have any of the contracts that we had because we don't have the money to pay the vendors. So we've had to utilize our

managers and social workers to fill in those roles.” There have been funding cuts recently for all organizations, although they are not affected equally. Delores notes that resources are limited everywhere.

There are fewer services in general for undocumented immigrants because organizations receiving federal funds must require citizenship or legal documentation. Even organizations serving refugees and legal immigrants are suffering: “Well the refugee service agencies are having a really hard time because a lot of the refugee support funds have dried up and those agencies involved in job placement have had a harder time finding jobs” (Rocky, IIRC, Marian Co.).

Overall, however, DSS has had a better record in the urban county than in the rural county in obtaining state grants, due to resources, capacity, and networks. There are more resources in the urban county to draw on and they are better linked to the state office in terms of acquiring grants. Local government officials have supported economic development by hiring private economic developers to engage with interested businesses. Private sector partnerships have arisen to promote the economic and physical development of the major city. It is not clear at all that these initiatives will benefit the poor much. But local leaders are empowered to some extent at least to accomplish their goals and ambitions for Marian County.

In Woods County, there is heavy dependence on government, and increased strain on nonprofits. Most agencies that the poor can rely on are government agencies, such as DSS, the Health Department, Senior Services, Department of Housing, and JobLink with the Workforce Investment Act program. Even the nonprofits like SmartStart/Children Center



and Family Services/Shelter are mostly dependent on government funding (and were also government-created). There have been cuts across the board in Woods, although funding was reportedly a problem before the recession. There is a long waiting list for Section 8 housing and HUD apartments. DSS in the rural county lacks funding, space, and staff. There is little available to help the poor and no local funds to make up for federal loss. An informant from the Family Services/Shelter told me that there is really no pot of money available to help a victim of domestic violence who does not have children. One of their biggest challenges, I was told, is trying to help those people since there is little money to help them get out of the shelter and transition to be on their own. I have taken multiple calls as a volunteer at the rural Parish from people looking for assistance with past-due bills and facing eviction. I told them that the Parish did not have funds to help them, then asked them if they have tried DSS. ‘Yes,’ they reply, ‘and they can’t help me either.’ Then we hang up, and I do not know what these individuals do next or what happens to them and their families. For the local governments, the tax base is very small. There is no corporate base from which to derive donations. Poverty remains entrenched.

Organizations in both counties that are dependent on grants tend to be burdened by requirements including verification and documentation. These requirements can cause immense strain on both clients and workers, as I found out firsthand as a volunteer at City Ministry’s emergency assistance program in the urban county (and describe in chapter six). In the rural Parish, although there was rarely money available for rent/mortgage/utility assistance, the process was not nearly as formal and detailed. However, they had been in trouble recently with state auditors, and were ineligible for many grants. The Family

Services/Shelter in Woods was also burdened by accountability to grantors. With a shortage of staff, fulfilling these various requirements meant the director had less time to work with clients or work on other grants. Samantha of the SmartStart/Children Center told me that her biggest challenge was “maintaining our accountability, and there’s a lot of documentation that’s required when you’re receiving state grants, making sure that we’re spending the money well. And so keeping up with those versus managing, providing the actual direct services, with a limited number of staff. Lack of resources.” Kate, a JobLink staff member in the rural county, also declared that the Workforce Investment Act program “is a ton of paperwork.” DSS in both counties also experienced high documentation requirements associated with welfare reform.

Devolution of funds and responsibility to local areas has different implications for the two counties. The rural county, particularly in light of state budget crises, is in no position to cover the loss of federal funds. Low organizational capacity translates into few external grants, and thus program cuts. The urban county feels the strain as well, but some local conservative government officials are more concerned about economic growth and controlling crime than making sure everyone is fed or that the poorest have a means to live. To the extent that they do channel funds to the poor or organizations that serve the poor, it is out of obligation or in response to intense efforts by community leaders. Meanwhile, organizations compete for scarce funding and once they receive grants, must focus efforts toward fulfilling burdensome requirements that can interfere with serving the low-income community.

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) legislation of 1996 and subsequent reauthorizations have had clear implications for local poverty reduction efforts, although again the impact has differed in the two counties. To recap, U.S. welfare reforms in the last two decades have shifted to a “workfare” system centered on moving poor single mothers into the private low-wage workforce. The poor are now to be reliant on the private workforce and only some long-term government assistance in the form of food stamps and Medicaid. In North Carolina, *Work First* is the cash assistance program that focuses on moving clients into the workforce. County DSS offices are responsible for maintaining participation rates, determined by client participation in 35 hours per week of certain work-related services, such as employment, documented job searches, classes related to employability, community service, other unpaid work, and so on. Education such as GED classes or college classes does not count, per the federal Deficit Reduction Act (DRA) of 2005. DSS personnel must document this participation as well as citizenship status and eligibility. If the state does not demonstrate to the federal government that counties are meeting these participation rates, the state could lose funding. Subsequently, if counties’ rates are not up to par, they may lose funding through the state.

These funding requirements are burdensome for the rural county in particular due to low capacity. “Workers have stacks of paper on their desks” (Melanie, DSS, Woods Co.). The paperwork load has also increased since the Deficit Reduction Act (DRA) of 2005 reauthorized Temporary Aid to Needy Families (TANF): “Citizenship verification and residency verification for every applicant, regardless of the program. And then there has been an increase due to increased demand” (DSS informant, Woods Co.). But since they are not

able to meet demand, applications involve additional work that does not translate into additional services.

Since the Work First program requires clients to find employment, the lack of employment is also a problem: “not having employment here. Transportation. People are sort of stuck. For those who can travel outside the county, it is the layoffs” (Melanie, DSS, Woods Co.). As Tomaskovic-Devey (1987) argues, the abundance of living wage jobs determines poverty more than any other factor. Another Woods County DSS supervisor noted that, “It is a big burden for us to try to be creative in how people can meet their hours.” A Work First employee responds to my question of how worried they are about being sanctioned by the state by saying, “worried: We are very concerned and we monitor that every month.” One resource they can use is the local JobLink office, but as Kate tells me, they do not send clients over often enough (which incidentally affects JobLink’s funding). This appears to be due to a lack of a formal process for referring Work First clients. It may also be that DSS caseworkers evaluate clients’ needs differently than does JobLink staff. Considering the heavy workload of Woods County DSS staff, it is also likely that they are not empowered to maximize the use of available resources.

In Marian County, the DSS office is restricted in their ability to help people as well, although they are better equipped to compete for funding. But welfare reform has constrained them in how they approach the issue of poverty and also in how they work with other organizations. And since the focus is on welfare-to-work, the lack of jobs in general, the lack of living wage jobs, and the multiple barriers to employment among the clients not only endanger their ability to meet participation rates, but make the Work First program less

effective for clients. Self-sufficiency is not a realistic goal for many clients and their efforts to help clients become employable confers a huge burden on DSS and the organizations they work with:

It's very difficult to meet the participation rate when you're trying to work, when you're working with an individual and you're trying to meet their needs, the whole needs of the family, and the state says, we need 40 hours. And you know this person isn't capable of doing 40 hours because their substance abuse issues, their domestic violence issues, they may be homeless, there could be a whole list of life issues that just kick in for not just one family but 25 in that same category (Delores, DSS, Marian Co.)

An urban county Work First employee also notes that with the DRA of 2005, requirements have become more burdensome for both DSS and organizations they work with:

How we report has had a major impact. Thirty-five hours once a month to now every two weeks...Requirements to provide information are time consuming for the vendors. This has been negative. It puts more work on the vendors who are doing us a favor. We always worked with the incapacitated population so that didn't change a lot, we just stepped it up a bit and improved communication with Disability. But it requires more contact. It made it more difficult because we are dealing with people who are not motivated. Rates dropped tremendously. We have to be very specific now with documentation (Valerie, DSS, Marian Co.).

Marian County DSS has recently come up with a solution to meeting participation rates. They have in the past year of the study begun to institute a program whereby clients only receive the cash assistance once they have completed their work requirements. When I had asked Valerie, a Work First employee, how worried they were about being sanctioned, she responded that, "We are worried because of the size of the county and participation rate. Next year we are doing different things." As Brian, a Work First social worker, describes it:

Work First participants are required to do a 35 hour a week plan of family self-sufficiency with us, and that can be a combination plan of education and work experience and actual employment. We are mostly work oriented and

we're gonna be pushing that more than some of the education pieces, but if it's a combination plan, we're gonna put the hours, put the actual hours, the schedules on the plan, and then they're gonna be required to get attendance forms, pay stubs, and verification to show that they've actually done the required hours. If they haven't done the hours, then it is going to negatively affect their benefits, and beginning January 1 of 2009, we're moving into a Pay for Performance program, for Work First benefits. And the family will be required to actually pool their hours and activities and comply with their plan for us, before a check is issued. And if they haven't complied each month, then the check will not be issued for the prior month (Brian, DSS, Marian Co.).

Under this program, Work First participants receive their check only after producing documentation of their 35 hours per week of eligible work activities. Theoretically, then, participation rates should always be 100% and sanctioning becomes automatic. This also shifts much of the burden for work activity participation from the case worker to the client.

Another effect of welfare reforms is the ineligibility of nondocumented immigrants for government-provided services, such as Work First and Food Stamps. At least one person in the household must have a social security card, and then in some cases federal assistance is restricted to that one person. For some documented or "lawful aliens," there are restrictions on service-use, including a five-year waiting period. Employees of agencies that serve the immigrant population find these restrictions to be hardships for their clients. Karl of IFU informed me that "There is a large gap [between resource availability and demand] especially when there is no one in the family with a social security number, and this is quite a few of our people." When I asked him what the first stop was for many foreign-born migrants to Marian County when they needed services, he responded,

DSS, if there is a person with a social security number. Otherwise it is very difficult because many other organizations cannot help. Including the Salvation Army and *City Ministry*. If we refer them back and screen them they will help with food and utility. But we always try DSS first because they have more resources. It was a problem in [another] County where I used to work and here (Karl, IFU, Marian Co.).

This is true in both cities of Marian County—those I call Marian City and Milton.

Because many agencies do not serve nondocumented residents, the restrictions on TANF use create additional burden for those few agencies that do serve all immigrants and residents that otherwise qualify. The fact that these organizations tend to be lower capacity means the services available to nondocumented immigrants are far inferior to those for other poor residents. To put this into perspective, consider that agencies serving only documented immigrants and refugees were quite morose about the services available to help this population land on their feet and become integrated into the community, even though they qualified for more assistance than nondocumented residents.

Some other organizational practices in Marian County are a direct response to welfare reform—they focus on making the poor employable. Work Solutions is the best example of this. Their goal is to help the poor become self-sufficient by teaching them skills they can use in the marketplace (both formal and informal). They also emphasize entrepreneurialism, particularly for those who are unlikely to find a job due to criminal records or lack of legal documentation. Self-sufficiency for them does not necessarily mean participation in the formal economy, although that is the ideal.<sup>13</sup> The founder and President of this organization

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<sup>13</sup> See Venkatesh 2006 on the importance of the underground economy for the urban poor and Light 2007 on immigrant entrepreneurship in the formal and informal economies.

came up with the concept for the agency as part of the faith community's response to welfare reform.

Overall, however, although focus on work and empowerment sounds on-target in theory, in practice it is not realistic due to organizational factors such as decreased funding, paperwork requirements, and shortage of staff, in addition to the realities of low incomes, job losses, and barriers. In addition, work programs all too often focus on rapid attachment to the labor force in work that is insecure, low-wage, high turnover, low-end, and/or unlikely to lead to higher positions (see Riemer 1997 for more examples). Rapid attachment programs are, however, the cheapest means of reducing dependency on government social services for a large number of women, the most basic goal of PRWORA legislation.

It is important to keep in mind that devolution is not an isolated phenomenon; it is a deliberate mechanism for reducing redistribution by reducing the role of government and it was part of President Reagan's strategy for rechanneling wealth upward from broad-based consumption in the form of wages to investment and profits (Rayack 1987; Della Fave 2008). Devolution, liberalization of trade, and privatization of public services form a package of policies for coping with the stagnation of advanced capitalism at the national and global levels (Harvey 2005). Thus, federal decentralization of program administration and funding, increased reliance on the private sector for social services, the erosion of cash assistance and increased emphasis on workfare, and deepened economic insecurity are interlinked processes that arise through concerted responses to the contradictions of global capitalism. Further, it is not merely conservative figures in the U.S. who impose these neoliberal policies, but policymakers and policy experts from the center-left in the U.S. and other Western nations



(Mudge 2008). These efforts to maintain investment opportunities at all costs have profound effects not only for the vulnerable sectors of the population, but also for vulnerable organizations and governments.

Additional factors that hinder the ability of the counties to serve the poor include deindustrialization and de-unionization; federal policies of disinvestment in local areas and reduced safety-nets; and the impact of an economic recession. Local factors exacerbate or alleviate this difficulty. In examining the ground level of service provision, we see a metropolis overburdened by demand for services and a rural area where the poor are almost wholly neglected. And yet, at least some organizations in the urban county continue their struggle with much fervor and hope, pulling on as many resources as they can and continuously seeking out innovative ways to deal with poverty. Although limited by external forces that hinder funding and increase need, urban organizations have much higher capacity than rural organizations to make up for the ill effects of the global economy and decades of neoliberal rollbacks. However, capacity is not always channeled in the most positive ways—some of the capacity that exists manifests in organizational procedures that are punitive for the poor rather than empowering. In the next chapter I turn to examine the strategies organizations use in response to their many challenges.

## DISCUSSION

The processes of devolution and the partial retrenchment of entitlement-based welfare signifies a return to locally-based charities in part, although government DSS remains an important player in the social service delivery field. As described by Salamon (1995) and

Piven and Cloward (1971), prior to the New Deal policies, much charity was locally based in the U.S., and varied greatly from place to place. According to Piven and Cloward (1971), it was only when the prospect of mass uprising became clear that the federal government eventually stepped in to give relief and stem the crisis. Prior to this, and even during much the Great Depression, social welfare was widely considered a local responsibility, although extensive assistance was not much approved except in emergencies (Piven and Cloward 1971). Therefore, it is possible that we have seen some return to this model in the latter three decades, although once again a return to general economic distress has occasioned more federal involvement in the expansion of benefits (e.g., food stamps, unemployment assistance, and Medicaid) and in stimulus programs (for employment and consumption). There is little indication that this expansion will become entrenched (except perhaps Medicaid), nor does it appear that TANF will be overturned or significantly modified in the near future. Great concern over federal spending has stifled further experimentation. It is also unlikely that stimulus funds will be able to undo the effects of decades of social services rollbacks and neglect of local capacity. In the short-term, at least, federal involvement is carefully minimized.

Thus, local organizational capacity among social service agencies is all the more crucial. Organizational capacity is strongly related to place, and there is great variation in the ability of local service agencies to address poverty. Organizations in the rural county across the board have lower capacity than those in the urban county. Local factors shape the levels of organizational capacity. For instance, in the rural county—a bedroom community with social fragmentation, poor social capital, insufficient infrastructure to support sophisticated

public or private organizations, and few financial resources—the organizational capacity of social service agencies generally remains low. In the urban county, there is higher capacity among organizations, but great demand for services. There is a fairly strong tradition of activism and protest, despite conservative opposition bolstered by the neoliberal context of local governance. And there is tolerable social and cultural capital given the diversity and strong presence of universities and colleges that an urban area generally affords.

There is also a difference between organizations located more centrally in the county, in the county seat, and those located in more peripheral areas of the county. Agencies in Marian City, for example, tend to be larger in size, tend to display the most embeddedness, and to have larger capacity, although there is variation. Agencies in Milton follow Marian City in these factors, and agencies located outside the city limits tend to be the smallest, least embedded, and generally lower in capacity. In the rural county as well, all agencies are located in the county seat, which is considered necessary for accessibility. The only other service providers in Woods County were churches, which are located throughout the county, and only provide *very* limited food and clothing assistance. Thus, there is variation by location within the counties as well, with urban centers being privileged locations for agencies. Agencies such as New Community Vision and City Ministry, which are located near working class and low-income neighborhoods, tend to sustain more ties in the community to both the poor and other service providers. The list of agencies that the urban DSS provided are almost all located in either Marian City or Milton. In the rural county, to my knowledge all county agencies with which DSS works are located in the county seat. Thus, a central location, though neither necessary nor sufficient, can contribute to

embeddedness. It is also likely that in serving a population with transportation barriers, location is considered important for accessibility and sustaining the levels of clientele required to qualify for more funding. However, this means that those in economic distress who live outside the city limits must have regular transportation to take advantage of all of the resources offered in the urban/town centers, for agencies available to assist them in their area are smaller in size and number and tend to be lower in capacity.

The analysis of embedded autonomy is only suggestive—but the concept does provide one way to view the differences between organizations and their levels of capacity. Embeddedness can refer to ties to different groups in society, and this is important. Autonomy as Evans (1995) defines it implies internally defined bureaucratic processes, but over-embeddedness with elites at the cost of the poor can influence these bureaucratic processes. They can be formed by expectations and definitions of efficiency and effectiveness in the environmental field, as organizations dependent on funding from elites strive for legitimacy. Thus, contrary to literature on social capital that depicts vertical ties as simply beneficial (e.g., Pretty and Ward 2001), but in agreement with much literature that suggests linkages have their cost (Warren 1972; Portes 1998; Woolcock 1998; Lopez and Stack 2001), embeddedness in external networks can be a double-edged sword. It is positive in the sense that organizational actors can draw on financial resources and social capital of external groups, but it can be negative if the requirements of these ties, as when they take the form of grants with strings attached, can heavily influence the agency's bureaucratic processes and inhibit flexibility. External networks can be positive, however, as in the case of NCV, when they afford mainly social or political capital that does not impinge on the agency

mission and methods. There is a recursive effect—when an organization has the ability to pick and choose those funding sources that are in accord with their objectives, then their autonomy and hence overall capacity may be bolstered. Embeddedness in internal networks is useful, but goes only so far towards maintaining organizational capacity for survival. Having both internal (local) and external (national) ties is ideal.

Furthermore, organizational capacity is not only related to effectiveness, but to the actual processes by which organizations attempt to fulfill their missions. Some organizational strategies bear directly on capacity, in terms of building the organization, whereas others are geared toward making use of capacities to serve clients. In the next chapter, I discuss the processes, terming them organizational strategies, by which organizations adapt to changes and challenges in the environment in order to survive as an organization and to fulfill the mission of serving the poor. These two aims must be balanced, since organizational resources must be conserved enough to maintain the existence of the organization. In this analysis I am able to explore the intersection of capacity, extra-local factors, the importance of place, and the concrete ways in which poverty is actually addressed at the local level.

## CHAPTER 6

### ORGANIZATIONAL STRATEGIES AND SERVICE PROVISION

In the two previous chapters, I describe the conditions under which service provision to the poor occurs in these counties. In this chapter I bring together an understanding of how these conditions, including the neoliberal environment, local factors, and organizational capacity, interact to affect street-level service provision. Service providers must figure out how to serve the poor under conditions of resource scarcity, neoliberal expectations about individual responsibility and participation in the labor market, a lack of living wage jobs, and a competitive global economy that seems to necessitate a top-down strategy for providing jobs. Overall, strategies for serving the poor tend to regulate the behavior of the poor, particularly as the organizations attempt to respond to funding concerns. This occurs in different ways for the two counties. Many urban agencies tend to enforce participation in the low-wage workforce through bureaucratic surveillance, restrictions on cash transfers, and various work-centered programs. Inter-organizational arrangements are used widely, particularly in the urban county, as a way to pool resources and reduce double-dipping by clients. Rural agencies in this study, by contrast, tend to highly restrict their services, but with relatively little surveillance of the poor and a less formal bureaucratic process. Such approaches are linked not only to organizational capacity, but to environmental factors such as funding requirements and expectations about employment, which differ between the two counties. Notably although higher capacity may mean better service options, it does not translate into non-regulatory forms of provision; in fact, it tends to be associated with more regulation of the poor, including higher standards of documentation and verification and

more elaborate methods of exclusion and surveillance. Agencies in the urban county that have embedded autonomy (i.e., NCV and Work Solutions) are far less regulatory or restrictive; however, their overall impact is limited in the face of resource scarcity.

By strategies, I am referring to both the ways in which poverty is addressed by organization staff and policies, and the ways in which the organization maintains its own existence. Although these two goals may seem distinct, in practice they are often difficult to distinguish. The four organizations in each county (eight in total) that I concentrate on are described in Table A1 in the Appendix. These organizations embody a range of organizational missions and strategies that are representative of other service providers in the county. I find that organizations' resources, including the types and nature of ties to funders, affect what strategies for serving the poor are considered legitimate and thus pursued. Funders—who are often local or extra-local elites, national and state government actors, or the donating, tax-paying public at large—typically expect that service providers will: 1) prevent over-reliance on assistance among the poor, 2) encourage client self-sufficiency through employment, and 3) collaborate with other agencies and sectors to serve the community. In addition, other environmental factors influence what is legitimate, such as welfare policy and cultural attitudes.

Thus, strategies for serving the poor tend to become regulatory and/or enforce low-wage work (norms), as the organizations attempt to remain solvent. There are three main types of regulatory strategies among the organizations in this study: 1) Verification, monitoring, and surveillance strategies; 2) Insertion of clients into the low-wage workforce; and 3) Restriction in the variety of and access to services. Coordination with other local

agencies is often employed to pool and conserve resources, address different aspects of clients' employment barriers, and to prevent clients from double-dipping. It is also an advantage in applying for grants: applications often call for agencies to account for collaboration with different community partners. These different approaches are linked not only to organizational capacity, but to environmental factors such as funding requirements and expectations about employment, which also differ for the two counties.

In the following section I detail the three main strategies, and also examine alternative strategies that are present in the urban county. Then I turn to a discussion of how these strategies are linked to extra-local and local factors, demonstrating how neoliberal realities at the national, regional, and local levels often impose neoliberal strategies.

## ORGANIZATIONAL STRATEGIES

### *Verification, Monitoring, and Surveillance*

#### City Ministry (Urban)

City Ministry provides basic capacity to the poor—food, shelter, and helping to pay some bills to keep individuals from becoming homeless. As the nonprofit organization with the largest budget and clientele, City Ministry staff must work to justify their use of funds. One way they do this is by using the referral process as a way to track clients. The City Ministry emergency assistance process is taken as a model for other ministries in Milton, for instance, therefore this system is not atypical and is generally accepted as efficient and effective. At the inter-organizational level, the referral system serves as a way of communicating between agencies. When a client takes a referral from one agency to another,



it tells the new agency what was done or not done for the client at the previous location. This is designed to reduce exploitation of the system, or “double-dipping.” The referral system then serves to regulate clients, to keep track of where clients are going, so that they do not double-dip. Generally, people need a referral to gain access to assistance, except for DSS, which thereby serves as the first-stop location. Poor people get registered with DSS and go through this gatekeeper in order to access services at other organizations. When I asked Roger, a City Ministry emergency assistance program employee, why City Ministry requires a referral from DSS when they conduct such an extensive intake and documentation process, he replied that it is mainly a way to avoid duplication of efforts and to ascertain what other agencies are doing for this person. Roger then mentioned an inter-organizational database system (to which I never had access) that they use to look up information on clients. The referral system, therefore, is an inter-agency system that regulates the assistance-seeking of the poor. Whether intentional or not, it also helps frontline providers to ease tension, disappointment and responsibility, and manage the emotions of frustrated clients while also protecting the organization against “exploiters.” As a volunteer in the food pantry intake, I was relieved to be able to offer clients who had already used up their four visits allowed per year a referral to another food pantry. And when the other agency receives the referral, they know that this person was not served by the previous agency, and therefore are not double-dipping. This is why many agencies require a referral from either DSS—the first stop location—or another known agency. In practice, however, to best accommodate a client, volunteers or employees sometimes give referrals to more than one agency at a time.

Therefore it is possible in some cases for clients to apply to more than one food pantry at a time, although this was never mentioned.

In conjunction with the referral system, City Ministry uses extensive documentation to justify rent/mortgage/utility assistance. This assists the organization to retain funding and determine need. It is a way to be selective with assistance, because the requirements and burden of documentation are high. Required documentation includes proof of identity, a referral from DSS or approved agency, residence (lease), income for the past three months, receipts for all bills for the past three months, the current bill at issue, evidence of why the client could not pay his/her bill (e.g., medical bills), and, depending on the situation, additional materials. Intake volunteers or staff members are required to seek out all the relevant facts about the client's situation: *Do you have a job, and if not, are you looking for a job? Why were you unable to pay this bill? How much money do you spend on food, gas, clothes, and so on, per month? Who lives with you?* Tammy, a high-level employee in Emergency Assistance, suggested during an intake volunteers meeting that one reason they require so much paperwork is because it provides a way for the intake worker to dig deep into the client's situation and find out what they are doing wrong or how they can improve their situation. Budgeting, for example, might be an issue. (I found in my experiences as an intake worker that the problem was usually not budgeting, but lack of income with which to budget.) During this same meeting, Tammy also mentioned accountability for funds as a reason for documentation. I describe this in the excerpt from my field notes (recorded and transcribed) below:

Another issue is that at least for the money that [Marian City] contributes, it's really important to have that information for [Marian City] so that they feel that the money they put in is justified. They are a huge funder for emergency assistance, like mortgage and water utility... Tammy also told a story about the property manager she was dealing with because they have a lot of clients on that property and she had trouble getting him to fax verifications on time (for example, that this person had past-due this amount), because he just wasn't—he'd say well I'll do it when I have time. And she spoke to him on the phone and he said something to the effect that 'you know you're just wasting money,' these people, this idea was that 'these people can pay the bills they'd just rather spend the money on something else, and then they end up getting evicted anyways so that the ministry is technically wasting all kinds of money.' And it sounded like he was harsh about it, and it really bothered Tammy and she called back...she was very defensive of the assistance that we give. She said 'I want you to come here and see what these clients have to go through, the procedure that they have to go through to get assistance. We do not throw money away, we hold people accountable' (City Ministry observations, Marian Co.).

City Ministry is able to have such an in-depth intake process because they have a large number of staff and volunteers. The organization is well-established in the city and very visible. However, volunteers including myself found the emergency assistance intake process to be difficult and emotionally taxing. The procedure itself was complex and required extensive knowledge of the requirements. But if it caused stress for the workers, it was certainly stressful for the clients. Intakes were sometimes tense and emotional. Clients were often frustrated with the process and the amount of detail required. Many faced eviction or had already lost electricity, heat, or water. Many were dealing with significant issues, such as medical expenses or job loss, which affected their ability to pay house bills. They were sometimes at a loss as to how to provide the various documentations required. At times this required some creativity on the intake worker's part. In one example of the tensions that could arise during intake, I shadowed a City Ministry staff member while she

conducted intake with a client who was upset with the procedures. At one point, the client made the statement that “We’re not beggars. We come in here maybe once a year asking for help because we can’t quite make the utility bills in the winter, and this is degrading.” She was especially upset over the intrusive questioning and her lack of privacy, including my presence and the fact that we documented much private information including account numbers. Also, the efforts to secure proper documentation often lead to phone calls to billers, employers, or landlords. Most clients went along with the process as best they could, at times questioning their ability to produce the information required, and sometimes expressing bewilderment at the various information required. But generally they were willing to go through the process because they had few alternatives. However, clients were often in urgent situations and were anxious to get their rent paid before they were evicted, or the utilities paid before they were cut off. In such cases the lengthy intake process, in addition to the referral process, increased the difficulty in meeting such deadlines. Thus, although City Ministry is able to retain a large amount of funding from both government and nongovernment sources, the intake documentation and verification standards are a major burden.

Food services are easier to obtain. To receive groceries from the food pantry, a client must have a referral and social security cards for everyone in their household (household size and number of bags of food is thereby determined), and must fill out a one-page application with basic information. The intake worker looks them up in the agency database to see whether they are eligible. In response to increased demand associated with economic conditions, the Ministry increased the number of times any household member can receive

food from three to four times per year. There is no required waiting period in between visits. The Ministry also provides lunch every day of the year, open to anyone. There are no documents or verifications required to get lunch at the soup kitchen. The popular sentiment is that everyone deserves to eat, but not everyone deserves to have their bills paid for them. Thus, the bureaucratic process of food provision is very different from the process required for other services. Nonetheless, by requiring documentation such as social security cards, it is exclusionary (for many undocumented immigrants), and restrictive (there is a limit to the number of times a household can receive groceries), thereby conserving resources and reducing exploitation.

The other main service City Ministry provides is shelter. There is a homeless shelter for adults and another housing program that provides more private facilities for families. Due to shortage of space relative to need, however, City Ministry has recently experimented with more holistic housing assistance involving case management. But this strategy requires more funding than they can acquire to meet the full need:

Well the biggest challenge I guess is we just, we don't have the resources, even though [City Ministry] is a well-established agency and we get great support from the community and we have been able to do a lot of programs and we've started new programs, and we've built nice facilities to be able to run things, but, and we get lots of volunteers from churches and the community. But we can't keep up with the—with demand. We start programs but, you know, we've been, we've had this shelter for 25 years or more than 25 years, and the problem is worse now than it ever has been in terms of the number of families coming in. Uh, so we've been doing the shelter and we've been doing the emergency assistance and everything for years and years. And obviously we've got to keep doing those, but we can't keep up with the number—you know, the economy, whatever it is that puts the community and the nation in this situation (Mitch, City Ministry, Marian Co.).

I spent some time as a volunteer at the men's and women's shelter. Here the strategy is to provide the homeless with temporary (30-60 days) shelter at night, regular meals, and basic things like showers and toiletries, while they try to find work and housing during the day. During winter months, they provide mats in the lobby area for anyone to spend the night, to prevent the homeless from freezing to death on the streets. But in the regular accommodations, which are open year-round, residents must follow the rules if they wish to remain. It is rigidly structured so as to maintain order, safety, and efficiency. Some of the residents have jobs, in which cases they can/must get work slips. But otherwise they're not allowed in after hours even if they have the card that they are issued upon being accepted into the shelter. The cards designate either a 30 or 60 day stay. Clients must register at a certain time every evening to obtain a bed. There are also rules about listening to the nightly lecture (termed, reading of the rules). Clients are not permitted to use the dorms or beds until the designated time, which comes after dinner and the reading of the rules. The enforcement of the rules by personnel means that there is an inherently antagonistic relationship between staff members and residents as staff works to maintain control.

As a volunteer at City Ministry, I kept a look out for resistance to the rules and regulations of service provision. For the most part, the rules and regulations were followed, although some cases warranted bending of the rules by upper level personnel or volunteers. The emergency assistance documentation process was not inflexible, and in cases where the client was deemed deserving or the case urgent, some documentation typically requested was acquired through more informal means, such as a phone call to verify the client's claim (e.g., of having a job or of a particular bill amount). In one case, a seasoned volunteer questioned

the program director about the necessity of the documentation process when people are in such dire need. At times, when amongst themselves, volunteers lamented these procedures and expressed compassion for the clients who took the brunt of it. I heard one volunteer say she felt sorry that the clients had to provide so much documentation and sit through so much paperwork. Another volunteer mentioned feeling bad for those clients who did not qualify in some respect for the services. Tammy justifies these rules on the grounds of maintaining organizational legitimacy, helping the clients, and using resources responsibly to the best effect:

So some of the paper work is a requirement by the city...Another reason that Tammy gave for the lengthy paperwork and such is, she said, about digging deep into the client's issues and finding out what they're doing wrong or how they can improve their situation. So she's talking here mostly about budgeting and looking at how they're budgeting and she's using an example of like their cable bill, like they pay their cable bill but they didn't pay their rent...And so in a way she's talking about the interviewer acting as a sort of counselor to some extent in terms of helping the client organize their expenses and figure out what to do and what should be a priority and so forth. And also she said those of us who haven't been here very long may not have—and we will learn, we may not have learned yet, but we will learn—that there are clients who come in who, they're not necessarily trying to take advantage of the system, they are really not taking care of their finances well, and that that's an issue...Another thing she talked about is the fact that one year they found out that a lot of the people who they paid, they helped pay past-due rent, actually ended up getting evicted anyway, down the road. So it's kind of wasted money for them. So it's important being able to help the client so that they can eventually be able to pay their bills (Field observations at City Ministry, Marian Co.).

Sometimes clients questioned the process, but typically they followed the procedure.

For instance, in one case a young woman left in anger after I informed her of what she needed to document, but she came back a few minutes later, calmer and

acquiescent. Generally, even the intricate rules and procedures of emergency assistance are accepted as legitimate.

#### Marian County DSS (Urban)

As mentioned, DSS emergency assistance employees also refer clients to agencies that provide food and bill payment assistance to address crisis situations. In this way, the different agencies pool their resources to help clients. (See Figures C1 and C2 in the Appendix for a diagram of this referral system.) To give an example, if a client comes in with a past due rent bill total of \$900, DSS might assist with their maximum payment of \$300 (given that funds are available), and then require the client to get assistance from one or two other agencies for the remaining amount. The next step for most clients is to go to the emergency assistance program in City Ministry or another ministry in the county, where they undergo another assessment process. City Ministry might help the client with, for example, \$400, and then either the client produces the remaining amount in the form of a money order, or else goes to a third agency (usually Salvation Army or a large church) for the \$200. Once the client can show each agency that the full amount is accounted for, separate checks are written out to the landlord. In this way, each agency can accommodate funding restrictions on the amount of money available per client, while assisting the client to meet their full need. City Ministry in fact requires all emergency assistance clients (for food or utility/rent/mortgage bills) to obtain a referral from DSS or some other approved agency. Rather than simply dividing up clients and one agency paying for the entire bill, clients are shuttled to various agencies. This system is very inefficient for the client, but for the



agencies it increases legitimacy because more people can be claimed to be helped, while the amount of money spent per client is not so high as to raise eyebrows.

I will mention one more bureaucratic regulatory procedure employed by DSS. Clients who apply for funds to pay toward rent must have an eviction notice already. This strategy induces much hardship on clients, but ensures that only the most desperate, who are truly in an emergency, will utilize DSS emergency assistance services. Thus, by restricting services through verification, the use of funds is curtailed.

For both City Ministry and DSS, assistance with rent, mortgage, and utilities were reserved for those who had some income or the promise of income in the near future. The rationale for this requirement is that it does not make sense to pay rent for someone who will not be able to make future payments and be evicted anyway, essentially wasting the organization's resources. While this makes perfect sense, the procedure reinforces the poor's reliance on the labor market.

In summary, the strategies of verification, monitoring, and surveillance serve several purposes. Resources are pooled among the agencies, and conserved by reducing extensive reliance on the services. People who are not compliant, not desperate enough, or not authorized as citizens are weeded out by the bureaucracy. Reliance on these supplemental services is carefully minimized.

### *Enforcement of low-wage work*

Many of the organizations in Marian County concentrate on moving the poor into some form of paid work. This is a direct response to welfare reforms that lower the

reservation wage, making employment more important for family survival, and stipulations that require work-related activities for cash recipients. These effects are seen most clearly with the Department of Social Services Work First program, where clients who receive training and placement are often put into the sorts of jobs that do not bring them out of poverty, including certified nursing assistant positions. These sorts of services, however, are far more widespread and developed in the urban county. The fewer job opportunities present in the rural county render this strategy less viable.

#### Marian County DSS (Urban)

In the Marian County welfare office, Work First caseworkers push employment as much as possible, because of time limits for cash payments to clients and the need to demonstrate to the federal government (via the state) that recipients are participating in work-related activities. During the course of this study they instituted a new program for cash recipients requiring them to produce documentation to fulfill state and federal mandated requirements before receiving a check. In response to my question about how the transition to TANF changed operations, Delores of Marian County DSS recalls, “during that time we came up with a, with a, a slogan that the clock is ticking. That time is not on our side. We really have to move forward so that you can become self-sufficient because you don’t have as much time to stay on public assistance.” This emphasis on employment even occurs at the expense of education:

Cause as soon as they are approved, and even before now, since we’re working with applicants, we’re hitting the ground running with people, trying to get them employed, trying to get the income coming in to their homes that

they need to get them self-sufficient. We do have people in some short-term educational programs, such as the...community college CNA training things that are sort of fast-paced, fast-track to employment, and we are pushing those as well. As far as four-year programs and long-term educational goals, we are encouraging that, we don't ever want people to give up their educational goals and dreams, but we have—they need to understand as well that they have children to feed, that they need to be pulling in some money as well as just going to school (Brian, DSS, Marian Co.).

Therefore, individuals cannot rely on public assistance in the form of cash as a way to subsidize a two- or four-year degree, or other long-term training. Work First participants are being pushed into lower-wage jobs that do not require a high level of skill. The CNA (certified nursing assistant) program, for instance, while very popular among DSS staff as a profession for clients, does not necessarily bring people out of poverty. Several people I spoke to were or had been working as CNAs, including Cassie, Julianne, and Marilyn in the urban county and Lana in the rural county, but were still relying on service providers for food and additional help. The strategy of getting people into low-skill employment is mainly a product of federal policy, but it is unlikely to actually move clients into self-sufficiency.

But there is a very immediate problem for DSS staff: getting clients into *any* kind of employment. A mental or physical health problem, a domestic violence situation, lack of work experience, a criminal record, lack of child care, inability to pay for necessary employment-related expenses, and transportation is each in itself a substantial barrier to employment. These barriers are clearly reinforced by political and social factors, implicating the criminal justice and health care institutions among others, although with the barrier language they tend to be framed as individual troubles. Addressing the multiple employment barriers of families through coordination with other service providers was a central

component of DSS's adjustment strategy. In the wake of 1996 welfare reform, Marian County DSS personnel made contracts with various organizations in the county to help recipients become employment-ready. When the flow of money was curtailed a few years later, they adjusted contracts and gave social workers additional roles:

We no longer have any of the contracts that we had because we don't have the money to pay the vendors. So we've had to utilize our managers and social workers to fill in those roles. We had, we contract with a Job Developer. Now we have a social worker who has taken over the role as Job Developer... We used to have, um, a worker that handled the, we had a contract with Goodwill industries. Now we have a social worker on site at Goodwill Industries, because they're saying, 'okay well if you can't pay us, at least have a worker on site to handle your population and we'll still work with you.' Because the agencies are wanting something in return. It's...almost like bartering and that's what we're having to do with our staff is barter to get the resources that we need for our families (Delores, DSS, Marian Co.).

Here Delores indicates that coordination with other service providers (and employers) remains central to Marian County DSS's strategy to serve the poor, although the nature of it may have changed with decreased funding. They work with employment-focused organizations such as Goodwill Industries, the Employment Security Commission (ESC), JobLink, and Work Solutions, to place clients in these programs and also to share resources. For instance, one of my informants worked as a county case manager, dividing her time between DSS and Work Solutions per a joint arrangement between these organizations. Requiring clients to go to ESC (a state-wide requirement referred to as "First Stop") also helps to weed out uncooperative clients and start others on the job search track.

DSS Work First personnel also refer clients to other service providers to address barriers to employment. In part, this is a product of federal and state legislation that provides

funds for outsourcing and encourages the use of services available in the community as part of the client's Mutual Responsibility Plan for self-sufficiency.

We look at all the angles. And if they had gotten a certain level in school, then we encourage that they get their GED of course, and make referrals to different areas where they can possibly get that. We are however primarily a work program so we're concerned with people going to work to make, um, to support their family... We have a lot of families with alcohol and drug issues, with domestic violence, people that have moved from different states and they just really have to land somewhere to get the skills and overcome some of the barriers that they have. So we're gonna make referrals to [substance abuse agencies], and the mental health programs and the domestic violence situation, we're gonna address that in combination with a plan for family self-sufficiency (Brian, DSS, Marian Co.).

Coordination with other organizations in serving clients is compelled. Given that there are multiple service providers in the area, and clients have multiple needs, referrals at the very least are a must. In Work First, staff members are compelled to get clients involved in eligible work-related activities in order to avoid possible sanctioning by the state, which would entail a loss of funds. Therefore, many of their strategies, such as pushing employment in low-skill, low-wage jobs, deemphasizing education, holding the check until requirements have been met each month, and even coordinating with other organizations to assist clients, are direct reactions to federal and state policies that support work as the solution to poverty.

As Piven and Cloward (1971) noted in their seminal work, *Regulating the Poor*, the able-bodied poor are rarely permitted (for long) to rely upon cash assistance or other forms of assistance without also participating in the workforce. In this way, the local social service system does not interfere with the needs of local service industry employers (i.e., a large workforce willing to work for low wages). In fact,

coordination between agencies to address employment barriers, while ostensibly to help clients become self-sufficient, provides support for the low wages and traditional work norms of local employers.

#### City Ministry (Urban)

City Ministry personnel make laudable efforts to serve the low-income community in meeting their basic needs, but cannot alter the economic reality in which these people live. Their strategy is to ease the conditions of a low-wage economy by carefully rationing out resources. Even housing assistance is temporary. Local government and foundations support their efforts generously, in part because even the conservative public supports the concept of providing food to the hungry, but exploitation of the system by the poor is carefully avoided. The “undeserving poor” are weeded out, to satisfy conservative critics. This occurs through a carefully constructed bureaucratic process that also serves to document and track clients’ service usage. Many resources, such as staff time and necessary equipment and materials, are sunk into this documentation process. It requires a great deal of cooperation from clients, thereby deterring the disagreeable and noncompliant. The rules and regulations of assistance are complex and humbling enough to also deter those who might be able to find other sources of assistance (e.g., family and friends). Further, in the bills intake process and shelter environment, employment or another source of stable income is always emphasized. In this way, the poor are prevented

from completely relying upon private sources of aid and the necessity of low-wage employment is enforced.

#### Woods County DSS (Rural)

Like the urban county, Work First cash benefits in Woods County require participation in federal- and state-designated work activities. Because employment is not easy to come by for many Woods residents, local Work First caseworkers typically place clients into unpaid volunteer positions, when they place clients in Work First at all. They also try to provide supportive services to assist people in employment, like child care and gasoline vouchers. In fact, because so few clients actually find full-time employment, these supportive services are underutilized. Woods is one of the few counties in the state that does not have a waiting list for child care. This is also motivation for DSS workers to divert clients from Work First if they can. Benefit diversion (a one-time three month stipend of Work First benefits), emergency assistance (when funds are available, which they rarely are except at the beginning of the fiscal year), and the fuel program, are the commonly-used programs because they lack work stipulations. “Benefit diversion is for people under dire circumstances, but with income to come. For instance, they’re laid off but have a period without income...This is a three month allotment of Work First payments at one time. Keeps people off the Work First rolls” (Melanie, DSS, Woods Co.). But since funds for these programs are limited, workers are forced to be creative in use of funds: “The greater need is taxing. Like under the emergency assistance program, we try to do increments and mesh to serve more folk. Money can be used up quickly, and we allocate it for as long as we got it.

Yes, we juggle to help as many people as we can” (Melanie, DSS, Woods Co.). Most people who come to DSS for assistance can expect to get Food Stamps and sometimes Medicaid. These are the basic long-term services rural residents can rely on.

Juggling few resources, while managing an array of DSS services, translates into a high workload for staff. Like Marian County, Woods County DSS also has to answer to the state government, which entails considerable documentation and compliance measures. When I asked the Work First Director about how worried she is about being sanctioned by the state, she replied:

Very worried. We are very concerned and we monitor that every month. Not just for us but for other counties as well. We might be doing alright, but that doesn’t mean other counties are, and that’s not good for the state as a whole. We are very concerned. We are doing all we can to meet participation rates and monitoring reports. We’re doing our part to ensure compliance (Work First Director, DSS, Woods Co.).

Fulfilling state requirements (which derive from federal requirements) is a huge burden on social service agencies across the state. As Melanie notes, it involves much documentation and paperwork: “Well, I do eligibility. It’s about 75-80% of my time is consumed by paperwork. It is very important, for monitors. But a lot of times it comes down to we are picking and choosing...what deadline comes first? Workers have stacks of paper on their desks” (Melanie, DSS, Woods Co.).

#### Woods County JobLink (Rural)

Given the few employment opportunities in Woods County and the low level of educational attainment of clients, the local community college JobLink program pursues



several strategies. The main service provided at JobLink is job search assistance: computers are provided for internet searches, newspapers and job postings are distributed, and staff members provide resume assistance. Another service they provide is basic skills classes, including short courses in basic computer skills (e.g., keyboarding, e-mail) and refresher math and reading courses. Many of their clients are recently laid-off from mill or factory work, where they have worked all their lives. The coordinators believe the short courses they offer are useful for clients. Although they do not find literacy to be a major problem, many clients lack basic skills. But they are often hesitant to utilize the classes because many are eager to get back to work. Kate reports that the largest class they have had thus far included six students, despite “posting fliers everywhere.” Besides emphasizing the classes, which influence funding (more students mean more funds), JobLink staff members also extend their reach outside the county, where more jobs are available:

We have no economic developer—this is a poor rural county. There’s no industrial base because we have no infrastructure, like broadband and other company needs. We send people everywhere they can go. We use job markets everywhere. Expand our labor market. We use 4-5 different local papers. We are getting a [new fast food restaurant], but there have already been 449 applications for 40 openings (Abigail, JobLink, Woods Co.).

However, transportation is a problem for many poor Woods residents, and there is little JobLink staff members can do about transportation needs. Abigail notes that: “The biggest challenge is the lack of transportation in a rural area. Also we have a very low level of private sector jobs. Our biggest employer is the Department of Corrections, the two prison units. Seventy-five percent commute outside the county.”

Funding for the JobLink center is an issue. Although they are funded mainly through the state, JobLink staff members spend a good portion of their time writing grants for regional foundations to develop more programs:

It's fortunate we get outside grants, otherwise we couldn't keep the staff. We get money from [X] with [Y] Community College over the next two years. Part of my job is to write grants and my supervisor does also—it is a community effort. [X] funding is for workers who lost jobs due to trade overseas. That's a big pot of money. So we've had to go to private foundations for money, which has allowed us to provide specialized services. We developed two classes for the healthcare field, because there are fewer layoffs in that field. We also get state funding through the community college system. Money is based on the amount of time each student spends in class. 688 hours of student earning equals one budget full-time equivalency. So there's a direct correlation between funding and students in classes (Abigail, JobLink, Woods Co.).

Like the Marian County DSS, Woods County JobLink pushes short-term training like CNA classes to move people into work quickly. These programs, however, are closely tied to funder preferences.

The jobs that the JobLink center help people obtain remain fairly low-wage. They also are not necessarily secure jobs, particularly for rural residents in an economic recession.

As one resident told me:

I'm looking for anything right now. I just received a degree in corrections, and they're not hiring. Well, when you put a 54 year old female up against younger applicants and men, it leaves me out in the cold. I'd even go back into textiles, but that is, as everyone knows, moot now (Helen, married, no children, Woods Co.).

Considering the expansion in the corrections industry, one might assume that would be a wise choice of degree. But as Helen reminds us, other factors come into play; there is no guarantee in this labor market.

Thus while work programs for low-income adults are present in both counties, the programs in the rural county are much more limited. Instead, service providers tend to focus on providing basic services. JobLink provides some short-term training programs and basic job readiness services. The rural DSS hardly uses the Work First program, due to high unemployment, disability, and lack of transportation to areas with employment, because rules for Work First use would be violated.

However, none of the programs described above in either county demonstrate effectiveness at lifting individuals and families out of poverty. Cash assistance is predicated on work-related activities, aimed at rapid integration into the workforce. Clients who pursue Work First programs may be better off afterwards, but they are very unlikely to attain economic security. Funding, including TANF funds and regional grants to JobLink, is provided for short-term training and the low-wage employment sectors. These programs have no funding for long-term education or training. The goal is to get clients back into the workforce immediately, not to nurture their career development, which would, admittedly, be a much more expensive endeavor.

### *Restricting Services*

The organizations in Woods County are not quite as innovative as the ones in the urban county. They do not have the capacity for large-scale poverty projects or extensive collaboration. Resource constraints confine the rural organizations to providing basic services. Woods County DSS has had to juggle funds to help clients, whereas the Parish struggles to meet basic needs of clients: food and clothing, and occasionally rent/utility

assistance. JobLink and Family Services/Shelter directors spend much of their time writing grants, and meeting expectations of funders. Although DSS (to some extent) and JobLink focus on helping clients become employment-ready, their strategies differ from those of the Marian County agencies. DSS's Work First program of course emphasizes employment, but caseworkers prefer to help people through other programs, like Food Stamps and Benefit Diversion, because they are aware how difficult it is for clients to find employment. The urban agencies like City Ministry and DSS also restrict services through verification, documentation, and exclusionary requirements such as social security cards, and this serves to conserve resources for these organizations as well. However, the restriction of services in the rural county takes the form of a smaller variety of services and thinner programs. To conserve resources and remain solvent, these rural agencies employ the minimalist strategy.

#### Woods County DSS (Rural)

Compared to Marian County, the variety of services available and the coordination among agencies in Woods County is limited. DSS staff members give referrals to some extent, although there are fewer organizations to refer to, and these other agencies are also short on funding. There are fewer service providers to rely upon in Woods County. For food and emergency assistance, clients have the following alternatives: the Parish every three months for food, the Parish for rent/utilities if funds are available (more often they are not), and an alternative church food bank which is open for one day every few weeks. But one resident I spoke with was astonished that DSS staff did not notify her of the Parish's food bank when she applied for Food Stamps, though she had to wait weeks for the paperwork to

go through. Relevant information about other services is not always provided to clients. Some clients are referred to JobLink for employment-related classes and job search facilities. But JobLink staff members complain that DSS should be sending all their out-of-work clients there for assistance. Classes, they note, are never filled. DSS staff members do not view JobLink as a necessary resource, most likely because they only utilize Work First for select clients.

Given that DSS offices in both counties are subject to similar requirements, there are similarities in their strategies. However, the rural DSS is highly constrained in terms of enforcing work requirements, placing people in employment, collaboration with other agencies to address client issues, and pooling resources to help clients in crisis. *Work First* as a program is relatively useless for rural residents because of the lack of jobs in the county. Therefore, DSS staff members encourage clients to use other programs so as not to bring down their Work First participation rates (referring to participation in required work activities, not participation in the program). They do not seem so worried about preventing double-dipping as they are about simply helping as many people as they can by juggling funds to provide basic assistance until the funds simply run out.

#### Woods County Parish (Rural)

The Parish was created to address hunger and poverty issues, the basic needs of impoverished rural residents. It is a collaboration of various denominational Protestant churches in the county. Most of its funding comes directly from member churches, although

managers wrote grants and expanded programs after it became established. However, a couple years ago the agency encountered a fiscal crisis, was audited by the state, and found to be in violation. Since then, the Parish has been down-sized and reorganized. Only the most basic services are provided: food pantry, used clothing through a second-hand store, and rent/utility assistance when funds are available.

Fortunately, uh we do the food pantry, we do, uh, well, utility assistance is dependent upon the Foundation of the Carolinas which is Duke Energy Foundation. And Duke Energy has not had money this year to give out to folks, and that's of course you know through the whole service area. And I've talked to [Mr. K.] who's the administrator of that and he said well there's not money coming in, so no money can go out. So that's curtailed a lot of help that we could get so we were focusing on folks who were dependent on some kind of life support, breathing machines or oxygen or something like that, something required, or children that were critically ill would need...when the lights turn off...Um, so it's been tough. And for a county like this it just exacerbates the problem (William, Parish, Woods Co.).

Positions were cut and duties rearranged on a shoestring budget. This placed an enormous work burden on the Program Manager, especially once the Director's position was eliminated.

One service that has been relatively successful is the thrift store, which is the public face of the organization. The store not only makes a modest profit for the Parish, but is the only clothing store in the county, providing affordable clothing and household items to residents, and provides volunteers with some work experience.

In other respects, however, Parish staff would like to expand poverty elimination strategies, but are constrained by funding and lack of county resources. The funds they obtain must be used selectively:

DSS—they run out of money there before they get it. And so they send everyone down here and I told them, don't send them down here saying we can help them, because we might not be able to help them. So they come to the door automatically thinking, well, DSS says you can help us. Well...the whole gambit, well you can help us get an apartment, you can pay the first month's rent. That's not what we do. We're all about emergency services. We're about electricity, you have to have a cut-off notice. With gas, you have to be completely, you know, just run out of gas, and they're not going to fill your tank, and oil, and um, like if someone burns wood, they're down to their last, you know, third of a quarter of wood before they call emergency services. And this is all dictated by Duke Energy, who lays out the guidelines from their foundation for how the money is to be used. It has to be used to-for people who are in crisis (William, Parish, Woods Co.).

Clients can only access the food bank once every three months. Residents find this restriction to be a hardship at times:

If you need help, there's only two places you can go to: the Parish and social services. Once you go to the Parish—the new people are good—but once you go you get enough for like three days and it's like you can't go back for three months. I think that's a little harsh and I know they helped me out a lot and I know they don't have a lot of food sometimes...and if I'm not eligible because of the three months wait, I might go some days without eating myself and let the kids eat. You know, little things like that to stretch it (Kyle, single father of two children, Woods Co.).

By reserving assistance for those who are in crisis and limiting the number of times clients can receive food per year, over-usage or exploitation of the agency can be limited. Staff members are very critical of clients they believe over-rely on the Parish for paying their bills, or “expect” the Parish to help them. As a volunteer at the Parish, when residents called in to ask if any utility or rent assistance was available, I was always instructed to tell them no. Although I know that some clients were assisted with their bills during the period that I volunteered, these funds were used very selectively. Many who were in dire need were

turned away. The County Parish, as thankful as residents are for it, only alleviates a portion of the severe neediness in Woods County.

The Parish coordinates with other agencies on a limited basis. Churches in the area will generally refer the needy to the Parish. Sometimes they help with fundraisers. There are occasional local meetings between agencies:

We have an interagency council like [SmartStart Children's Center] and us, a few of the nonprofits, and the government agencies get together to talk about solutions and things they can try to do. But, once again, it becomes a moot point because each agency is working toward their own little niche, so that any real interaction really doesn't happen that much (William, Parish, Woods Co.).

Although DSS and other agencies give referrals to the Parish, it is not as formal a process as in Marian County, and serves less to regulate clients than to inform the neediest of available services. Coordination is generally sporadic and informal, occurring when agencies need to pool resources to serve residents.

As other researchers have observed for other anti-poverty agencies post-1996 reform, the rural Parish has had to eliminate programs and/or staff, increased the rationing of services, and relied more on volunteers, in order to stretch resources and survive. If the Parish were to disappear, poor residents would be even more desperate than they are now. The staff and board members know this, and they have taken extreme efforts to keep the organization alive.



## Family Services/Shelter (Rural)

The rural Family Services agency provides several services to women trying to escape abusive relationships: shelter for women and their children for up to six weeks, case management, 24/7 hotline assistance and referrals, local court advocacy for domestic violence victims, and channeling of Temporary Aid to Needy Families (TANF) funds for relocation. This is a small, newly established agency that is short on resources. It is considered a subsidiary of the town government, but they are housed separately and do not get funds through the town government. The Director writes grants with help from the town manager to secure funding for the house and various expenses. She also goes to different organizations and churches to give presentations on domestic violence as a way to raise awareness of the social problem, and of the organization. This brings in some donations. They also conduct fundraisers that bring in hundreds of dollars a year. But most funding derives from grants through the state. These grants impose many requirements on Family Services, ranging from building safety and accessibility, to intake procedures, to staff arrangements. The Director spends most of her time writing grants and making sure requirements are followed so that they remain eligible for funding. Despite the grants, resources are tight. She mentioned that one of their major challenges is creating a reserve of funds for hard times, and that they have to be very careful with all expenses just to keep the doors open. It is a challenge keeping the shelter open because of recent state and grant cuts. The Director also mentioned that they are facing a possible decrease in domestic violence TANF funds. The TANF funds have restrictions on them already that limit their distribution only to poor women with children. Victims of domestic violence who do not have children

fall through the cracks of the system, as they are not eligible for Work First or the domestic violence TANF funds.

There are state-level guidelines for all domestic violence shelters that the director must follow to remain eligible for funding. In addition to these requirements, separate grants may have different requirements in terms of both general operations and how the money may be spent. Keeping up with funders and attaining funding from external and internal sources take up much of the Director's time. Since they are already tight on funds, there is little fat to trim:

We had to change—one grantor we were expecting \$30,000, and only got \$15,000 and had to transfer some staff pay to another grant. So we have to juggle the money around. The handicap ramp was under a grant that was decreased and we had to take that out. Now it's under [Grantor X]. So we have to go back and change things around and send in adjustments to the grantor. That woman giving us \$2000 really helped. If she hadn't, the cuts would have affected us worse. I talked to a woman at a shelter in [a nearby county] and they had built up a reserve and that's what we're trying to do. [Grantor Y] told us we needed a three month reserve to pay people with, because there is a three month delay in pay from the grantor. We were thinking about having to cut staff (Diane, Family Services/Shelter, Woods Co.).

In fact, if they lose much more funding, then they may not be able to fulfill all of the grant requirements, such as the handicap ramp and 24-hour assistance.

However, because there is no other shelter in the county and affordable housing is a major problem, when the shelter is below capacity, they will take in homeless women even if they have not been in an abusive domestic situation. The shelter can comfortably house about five adults at one time. During my time as volunteer there, at least two women who were not victims of domestic abuse resided at the shelter because they had nowhere else to

go. Diane agreed to allow them to live at the shelter while DSS social workers tried to find a more permanent place for them.

Well we would like to help more people from [this] county, but a lot of times we have to send them elsewhere for safety. So there is not a lot of help from individual churches, because people are relocated. I think a lot of churches still help the Parish. We've had to send a lot of people to DSS for help, if they meet the criteria. But there is not much to do for those who come here and are waiting on social security or something (Diane, Family Services/Shelter, Woods Co.).

Shelter residents generally utilize other resources in the county. The intake folder provides residents with a list of resources and contact information in the county. Nearly all receive Food Stamps and some participate in Work First. If they need clothing, Diane sends them over to the county Parish with a referral for one or two free outfits. Those who plan to remain in the county may contact the Department of Housing to get on the list for Section 8 housing, even though the waiting list is years long. On difficult cases—women with no resources but high need—Diane may communicate with staff in other agencies to try to find solutions, although generally she leaves it up to the residents to contact other agencies for assistance on their own. Collaboration with other agencies is usually informal, by phone as needed.

Their overall strategy in helping poor women is to give them a temporary place to stay while they try to get back on their feet. They help them do this by providing them with a safe place to stay and some information and direction. When I asked Diane what self-sufficiency meant to her, she responded that:

Self-sufficiency means us not doing stuff for them, but empowering them to do things for themselves. We can support them, like with the support groups and one-on-one. And for example, if someone goes to DSS for services we

can write a letter saying they're living here. So we do help, but empowering them to do for themselves. In support groups and one-on-one support we can teach them to live violence-free. But if you do everything for a person, they can end up going back to their old situation. But if you have them do for themselves, they can make it later on. We help them to stand on their own two feet, and allow them to do for themselves. And they only have 5-6 weeks so they have to work really hard (Diane, Family Services/Shelter, Woods Co.).

The court advocate, who serves as the Assistant Director, also provides legal support in the courtroom, but is not a lawyer. They can only provide limited financial assistance to some of the women, but support funds, such as TANF, are in danger of being eliminated. In general, women clients who are able are encouraged to find employment, but there are few procedures in place to help them do so, partly because there are limited jobs and most do not have transportation to travel outside the county for a job.

Funding requirements for Family Services do not lead to punitive or restrictive policies per se, but they do strain organizational capacity by increasing staff workload. As a shelter for domestic violence victims, however, services are by definition temporary and not subject to over-exploitation by clients. However, by housing women who are poor but do not fit the definition of domestic violence victim, even if temporarily, the staff members of Family Services do exhibit some agency and adaptation in serving disadvantaged members of the community.

Overall, organizations in Woods County restrict the services provided due to low organizational capacity, lack of resources, and lack of jobs and other opportunities for clients. Restricting of services here is not meant to satisfy funders or to prevent over-exploitation so much as to conserve organizational resources. It also does not take the form of highly

bureaucratized exclusionary strategies or high levels of verification and documentation. Organizational capacity is too low for these strategies.

### *Alternative Strategies*

#### Work Solutions (Urban)

Work Solutions is a private nonprofit agency created to help the poor adjust to welfare reform by providing them with skills. Their strategy is more holistic and flexible than DSS, although their work program serves a more restricted proportion of the poor. They admit low-income people as students, and train them in processing and supplying goods to the low-income community and service providers, thereby serving the community in multiple ways. They also train their students in various other tasks by providing classes in lower level management (as in small work crew management), general customer service, and entrepreneurial (formal and informal) endeavors. By training some clients in small business management and skills they can use informally as well, they can benefit those who are generally excluded by employers, including ex-felons. Frank, a high-level employee of Work Solutions, tells me:

I gotta be creative. We have to keep a pretty close ear to the ground to see what's happening. For example, we started a computer repair training program, just as the bubble was starting to burst. So all of a sudden we were putting trained folks out as folks were losing their jobs. So our folks were competing with folks who had experience and training, compared to just training, and they weren't finding jobs and we said, 'what's our issue?' We could probably start training folks who are trained, or stop training and actually moved in to [another training program] from there. We said we have some ideas, but this training program is not gonna be a winner for awhile so let's find something that could fill that niche (Frank, Work Solutions, Marian Co.).

Frank and other Work Solutions leaders are aware that low-skill work does not pay well. They focus on teaching clients skills they can use to move up the career ladder, or at least give them a place to begin. They also try to foster relations with employers who will trust that Work Solutions students are worthy and hard workers:

Some of this is just trying to build relationships with employers. And the money, when folk—and we track what happens to the incomes of our folks. We know our graduates have earned now what is just over 4.4 million dollars! And they earn in the third year. And now you say, why is it they really start earning in the third year? I mean they get jobs, but they're not doing much, doing too well that first, second year relative to a lot of wages. That's where the first level supervisor comes in, that's where I prove I'm doing the work, I show up, now I start getting responsibility. I start working with people. I learn skills. And folks start climbing, but it's a long term...for a lot of folks it's not overnight. But it's a way to get out (Frank, Work Solutions, Marian Co.).

The organization “kills two birds with one stone” by training their low-income students in a distribution center that serves other low-income individuals (who go through DSS to obtain the required vouchers) and other local organizations that provide services to low-income individuals.

In a sense, then, Work Solutions creates an economic niche for the poor, and with its community-oriented business model, develops its own sub-economy that overlaps with the larger economy. In this protective sub-economy, extensive support is provided to clients, giving some of them the chance to develop skills at least before they get thrown back into the private workforce. As Evans (1995) discusses with regards to state structures, some embeddedness is important to obtain the advantages of networks, while a measure of autonomy remains crucial to resist inappropriately captured interests. It seems to me that Work Solutions as a community agency, and in a broad sense as a governance structure, is

successful in assisting the poor in an unsympathetic economy because they attempt to balance embeddedness in the economy with a measure of autonomy that manifests itself as community-orientation.

Work Solutions draws on the support and collaboration of different sectors of the community. They hold county conferences on addressing poverty. They reach out to area churches. They refer clients in their program to local service providers to address particular barriers, as does DSS. They are willing to work with other agencies. Leaders of the organization are experienced professionals in nonprofit management. The President of Work Solutions draws on his organization's innovation, collaboration, and fiscal responsibility to obtain additional funds. They are very competent in maintaining the flow of funds and expect to receive stimulus money through the state. They enjoy status as a model for other organizations around the country. In all, they have the flexibility and capacity to address fundamental issues among individual members of the poor.

However, they are limited as to who they can admit to the program. The program "is not for everyone." Clients must have a GED and be fit to work. To be admitted as students, clients go through a one-on-one interview process with the President. There is also high attrition. And currently, many more people inquire about the program than they can assist. The agency workload is high and multifaceted, requiring much dedication and savvy on the part of managers.

They are successful in part because they accede to the popular logic that the poor must work, but realize that low-skill work is not enough. They have (self-reportedly) built immense credibility in the national nonprofit community through their innovative methods

and financial competence. They exploit the cracks in the system, finding and utilizing goods that no one else wants, and provide the labor needed to make these goods useful to the public. They are efficient, in that as soon as funding declines, they tighten the belt and cut expenses. The Vice President was confident that they would be able to tap into a significant part of available stimulus funds. Their embedded autonomy strategy serves a small sector of the able-bodied poor well.

#### NCV (Urban)

Alternately, New Community Vision (NCV) staff attempt to sponsor government work programs for the poor, while maintaining organizational autonomy. New Community Vision takes a wider and less focused approach than other organizations. Among the four main urban organizations, NCV has the most confrontational strategies. For example, members have engaged in pressuring government officials to adequately serve disadvantaged segments of the county. As a social justice organization, service provision is not their main emphasis, although it is considered an important part of what they do in serving the community. Different members of the organization focus on service provision to the homeless, advocacy, research, or community organizing, depending on current community needs and the talents of individual members. They have ultimate flexibility to focus on whatever issue is at hand. Lucas, a long-time member of NCV, informed me that “Our operation is not dependent on government funding. Our work does not depend on whether we get funding but what the needs are. It’s based on expertise, not money. We operated even when we didn’t have money.” To stay in touch with each other and the community, and to



keep various progressive members of the community in touch with their efforts, NCV holds weekly open meetings where people can discuss their concerns. Much of my data on this organization come from these meetings.

One main service NCV provides is bringing together different members of the community to address issues.

Even now the collaboration—NCV situates itself as a leveling place for a lot of different organizations, we have the power to convene. We can convene the mayor and local politicians, human rights folks, internationally. So once all these organizations get together, everyone comes from their own experience and we level that by honoring different ideologies, faiths, perspectives, but because of our unique ability to convene and level we can build cooperative efforts (Jessie, NCV, Marian Co.).

They have been in discussions with some more sympathetic local government officials about channeling stimulus plan funds down to the poorer communities, and making sure competition for the funds does not undermine the potential for progressive change. Reverend Nathan expresses concern about agencies rushing to grab stimulus funds:

I've just been doing a lot of thinking and talking on the stimulus package. The charge for the money is not a unifying thing. But yet I believe we can use this opportunity to do some mending of the community. The base of the African American community and the middle class community have been growing apart. Organizationally nonprofits and for-profits have been going separate ways. Yet all of these elements are a part of a community and no community can be whole if these don't work together. And yet, I believe we can use this money...in our faith tradition there is a certain way of talking about money—you love it. But if you love it too much, you're ruined. Yet, we all need it. The challenge is reaching out for this money but not being ruined by it (Rev. Nathan, NCV, Marian Co.).

At times they take a confrontational stance. Lucas noted that “Some locals have problems with what some people [in NCV] have done—most protests and demonstrations have come

from this group in the past 45 years. We have been a thorn in the side of the city, and there are some who still don't appreciate that." They advocate for inter-racial and inter-faith unity for community empowerment, hosting cross-faith meetings and Black/Brown conferences.

Using such strategies, NCV can address fundamental issues in the low-income community, whether it is working to stop discrimination against immigrants or racial minorities, job programs for black youth, community sustainability, or starting a subsidiary organization for substance users in poverty. Consequently, members sustain a high workload:

We don't have as much formality here, intentionally. This works better for us—we can do advocacy, service work, research—based on our gifts and opportunities. There's a little push back in terms of standard things because we are different, whether by choice or divine [intention]. We are often misunderstood or misstated. The limelight is not where we go, we go where we need to, to get things done. As Lionel would say, we're not just about research but community involvement. It is frustrating for you I am sure in a sense because we are so busy (Janet, NCV, Marian Co.).

Every week, there were additional meetings or events to arrange. Those members who worked with the homeless reported being overwhelmed. Leaders in the organization, such as Reverend Nathan, are stretched thin. Organization administrators also worked around the clock to maintain the organization's standing and obtain funding.

NCV is able to challenge mainstream notions about poverty because they maintain autonomy from funders and sustain a social justice identity. They do this by garnering support from the community through their weekly meetings and other events. They are entrenched in the community, and have built allies in different organizations and levels of government. This has taken them decades to achieve. They are steeped in religious values

that grant them credibility with much of the faith community. Although the conservative opposition relies on Protestant values for support as well, these activists interpret religion in a very different way, emphasizing equality, social justice, and communal values. This may in part reflect denominational differences, but members are able to engage the conservative religious communities on similar ground (i.e., Protestantism). Although not all members of the group can be described as “radical,” the leadership is dedicated to challenging taken-for-granted American ideals such as meritocracy, consumerism, and the profit maxim. This occurs chiefly in the community meetings, but guides subsequent actions and concerns. While this constrains their eligibility for funding, they are able to maintain credibility in progressive circles and much of the liberal faith community. NCV members walk a careful line between radical-progressive action and pragmatic cooperation with various key actors in local government, progressive networks internal and external to the county, and other community leaders. They too have achieved a sort of embedded autonomy in representing racial minorities and the poor.

Race is clearly implicated. Given that much of the membership and leadership is made up of African American men and women, and the organization is modeled after Reverend Dr. Martin Luther King’s concept of community and justice, their autonomy from white elites, corporate-based funders, and the conservative public is deliberate and easily obtained, if not without cost. Indeed, recent research has shown that when organization leadership is racially similar to clientele, they are more likely to work to advance the political interests of their clientele (LeRoux 2009). In this case, the organization of a historically

disadvantaged segment of the community provides a context for autonomy from mainstream expectations.

Non-regulatory strategies to serve the poor, then, are possible. However, the factors that make these strategies possible for these organizations are not wide-spread or easily obtained. As discussed in the previous chapter, these organizations have achieved an embedded autonomy. The organizational leaders are very influential and experienced professionals and activists. They have worked to develop ties to the low-income community and a wide number of organizations and local actors. They have also fostered external ties to foundations and national organizations, including ties to Washington D.C. Paradoxically, it seems that this very wide, multifocal embeddedness has allowed these agencies to maintain some sort of autonomy. High organizational capacity permits them to choose among funders whose missions are in accord with their own. However, resource scarcity and limits to organizational expansion constrain their overall impact. Instead, most assistance to the poor in the urban county and exclusively in the rural county consists of either basic alleviatory services or rapid insertion into the low-wage workforce.

## STRATEGIES, ENVIRONMENTAL FACTORS, AND REGULATION OF THE POOR

These regulatory strategies can also be divided into two categories in terms of basic purpose: 1) easing suffering by providing food, limited cash assistance, and shelter; and 2) integrating the nonworking poor into the workforce. The problem with the first of these is that it only eases some of the negative features of the American political-economy, and does not provide a substantial safety-net for those who are chronically poor. Due to high demand

relative to resources, provision is generally selective and in some cases exclusive (i.e., undocumented residents). As some suggest (Piven and Cloward 1971; Blau 2006), this insufficiency may be partly by design, so as to prevent widespread dependence and idleness, which might injure American economic productivity. The problem with the second general strategy is that it entails low-wage labor that will not necessarily bring individuals and families out of poverty or keep them out of poverty for long. They remain, if not poor, part of the working poor, and vulnerable to unemployment. There are exceptions: efforts to provide living wage jobs (e.g., NCV) or efforts to integrate the poor into living wage jobs (e.g., Work Solutions) may go farther toward ameliorating poverty than other strategies at the local level. But these strategies are not realistic options for the rural county, where there is a lack of social capital, radically progressive leadership, and organizational capacity. Given resource scarcity in Woods County, strategies are limited for the most part to providing some basic services.

The two basic strategies may be compared to the two forms of regulation of the poor as described by Piven and Cloward (1971), albeit in new contemporary form. The first form is remediation when local economic needs do not require a large labor force but disorder among the poor must be prevented. The second form is employment enforcement, typically in use by social service agencies and required by policy when local employer needs involve a sizable and docile labor pool for low wage work. The first form is more closely associated with the rural county, and the second form with the urban county. However, the poor in the rural area are unlikely to cause disorder, and the remediation provided is indeed minimal. There is no direct evidence in my study to suggest that there is more assistance in the urban

area specifically because disorder is more likely to occur there. However, there are more protests and pressure on the urban public officials to provide for the homeless and indigent than in the rural county.

Piven and Cloward (1971) argue that although welfare is a small percentage of the federal budget, any expansion in relief tends to strain local resources. Thus, localities tend to resist rising welfare costs, but to prevent or quell disorder the national government will intervene. However, supplying checks does not provide social control in the long-term. Eventually, work and school roles will erode, so elites attempt to restore the “work-maintaining function of the relief system...As rolls rise, so does concern with work” (344). This is precisely what occurred with the Personal Work and Opportunity Reconciliation Act of 1996. It would be difficult to prove that national policymakers were purposively expanding the low-wage workforce on behalf of employers; however, it is clear that concerns about work ethics, welfare dependency, and federal expenditures motivated the move to a welfare-to-work system. At the local level, there are a variety of motivations for serving the poor that may come into play. However, local workforce needs do seem to converge with the types of services provided in the two counties.

Agencies in the urban county tend to provide a larger variety of services to low-income residents, including a range of employment services. Many of these services and training programs are aimed at integrating clients into the low-wage workforce. As Blank (1997) cautions, returns for low-skill work in the U.S. are decreasing due to the globalization of production and technological advances. Even in times of low unemployment and economic growth in the past three decades, wages for low-skill work have remained low or

have decreased, and subsequently poverty has become more intractable than ever (Blank 1997; DeVault 2008). Employment in the low-skill sectors is not a viable route out of poverty for many. For this reason, some agencies like Work Solutions attempt to provide skills that can be built upon to move clients into higher quality jobs, or provide them some autonomy (self-employed in the formal or informal market). Of course, the limited supply of higher-paying jobs means in itself this is not a viable strategy to eradicate poverty. In the rural county, only the community college JobLink program provides any sort of training, but the jobs they train people for are low-wage and/or insecure in the present economy.

In the rural county, there are significantly more unemployed people per available job. Although the relevant labor market for Woods residents is wider than the county, and indeed includes adjacent counties such as Marian, for those without reliable transportation it is more circumscribed. The workforce in Woods may not be the immediate concern for low-wage employers and would-be philanthropists in nearby counties, particularly during times of economic recession. And yet, there are some efforts to integrate the rural poor into the workforce through JobLink, which, not incidentally, pulls much of its funding and grants from outside the county, in the regional labor market area. The regional funders also determine what work training programs are emphasized, such as the low-paid but fairly high demand for certified nursing assistants. This demonstrates that indeed the types of services available to the poor remain linked to the low-wage labor market needs of local or regional employers. Further, because the national welfare program itself also insists on work reliance, to the extent possible, Work First workers enforce employment and employment preparation.

But these work-enforcement practices are encouraged in other ways as well, especially in the urban county. For instance, funding must come from somewhere, and the public and many grantors have their own expectations. The public, in general, tends to disapprove of giving to those who are not verifiably needy or who might be indigent due to idleness (Gilens 1999). City Ministry directors were preoccupied with demonstrating that bill assistance was given only to the deserving. Much non-food assistance through City Ministry is predicated on the assurance that the client is working or seeking work. Emergency assistance and shelter clients are encouraged to find employment as soon as possible, even if temporary or low-wage. Finding employment is the centerpiece of counseling programs for housing clientele. Work is considered to be desirable for everyone, regardless of remuneration or how degrading the work might be. Even the poor agree that employment is the solution. They express this in interviews and in their efforts to find work. However, they would prefer to have better wages and better quality work environments. They would prefer the chance at education or better training. Yet, in most cases, excepting Work Solutions, programs providing higher education or long-term training for the poor were minimal or nonexistent.

Funding is central to how strategies are influenced. One common strategy across the two counties is the pursuit of grants so that organizations remain operational or expand. Exacerbated by federal disinvestment, this is a resource-limited field, and competition for funding means that staff must scramble to attract and retain funding. Urban organizations with higher capacity have the advantage. But funding comes with strings attached, and as resource dependency theorists point out, organizations that wish to survive accede to the



demands of organizations or groups who control the resource they are most dependent upon (Aldrich and Pfeffer 1976; Pfeffer and Salancik 2003). Thus, many agency procedures are aimed at satisfying funders and potential funders rather than clients. City Ministry, for example, demands a stressful intake process for clients and also regulates utilization of county agencies. DSS Work First in both counties requires clients to find low-wage employment but cannot provide support for more long-term education. And both the rural Parish and City Ministry restrict food pantry use to four times a year, despite indications that it is not often enough for many clients. Steven Gregory in his study of African American organizations in New York City points out that community service organizations “[addressed] neighborhood needs in ways that complied with the narrow program priorities, guidelines, and service delivery strategies of their sponsors,” and that their viability “depended less on the political mobilization of residents than on the tactical support of local political elites” (1998: 98, also quoted in Lopez and Stack 2001: 36).

While service provider employees may not personally intend to support low-wage employers, their legitimacy and funding concerns lead them to restrict services so that there are few alternatives to low-wage labor. At the national level, of course, policy has clearly been developed to support low-wage work among poor women, and indirectly, among poor men as well. Thus, county government social service offices are impelled to administer programs in such a way that ultimately people must rely on participation in the low-wage workforce, however inadequate. This occurs despite the fact that there is already a limited labor market, high unemployment, and a decreased need for low-wage labor. Therefore, some poverty alleviation is offered, albeit restricted. But many of the poor who would accept

a low-wage job cannot acquire one. In the rural county, a woman with training in criminal justice faces age discrimination. Over 400 applications are submitted for a handful of fast food positions within a few weeks. In the urban county, homeless men with construction or mechanical skills seek employment without success. Despite this emphasis on employment, low-wage employers do not seem to require such a large labor force, and yet the work norms remain. There is inadequate support for those who do not find work. Consequently, men and women end up on the streets, overwhelming service provision agencies. This strange situation of work enforcement when there is none may be attributable to a neoliberal environment. Elites and much of the public continue to accept the idea that the poor must work, and that encouraging self-sufficiency through employment is the best way to help the poor, despite obvious indications that this is not possible for many of them.

In addition, programs to address basic needs are exclusive and selective. Comparing the flow charts for the urban county in Appendix C, it is evident that there are few services available for undocumented immigrants, and few agencies that serve this population. This is tied to both federal and state funding requirements for documentation and anti-immigrant sentiment that limits funding in general. Especially in a recession and a state budget crisis, policymakers do not want to be labeled as pro-immigrant. Thus, the strategy of excluding the “undeserving” segments of the population, such as “illegal” immigrants and charity-exploiters helps preserve organizational legitimacy and limited resources. To some extent, the recession has loosened up the exclusionary strategy, because the public is more sympathetic to those who cannot find work. Thus, City Ministry expanded permitted food pantry visits from three to four times a year. Also, the DSS Food Stamps program was

expanded across the state as greater numbers of people became eligible. Family Services/Shelter staff in Woods County agreed to take in homeless women. But basic policies remain intact, even as service providers deal with increased demand for services.

Another specific strategy is to cut programs and staff, which reduces services and capacity respectively. Organizations also respond to limited resources through collaboration with other service providers in an effort to pool resources—but as this study demonstrates, local areas are highly unequal in terms of the agencies that are available for collaboration. But program and staff cuts are likely to become a reality for many organizations given state impoverishment. Indeed, as federal funds have been diverted to overseas military efforts to maintain free markets and declining American hegemony, social services in the U.S. have been trimmed (Harvey 2003; Wallerstein 2003). As federal disinvestment has decreased funding to the states, states are hard-pressed to raise funds to make up the difference. In North Carolina, social services are being cut across the board.

Why are states not able to sustain funding levels? In part, this may be the product of the geography of advanced capitalism (see Harvey 1987) that encourages tax cuts and competition for businesses using tax incentives across localities and regions. Efforts to lure in business and jobs combined with populist pressure to reduce taxes translates into decreased coffers for state and local governments, not increases (see Edsall and Edsall 1992). The amount of government money available for social services, including grants, has decreased, without a corresponding increase in private sources of aid (Alexander 2000). Thus, cuts in private and public services are commonplace. In such an environment, cheaper

rapid insertion into the workforce programs are more likely to be supported than more expensive long-term education and training programs aimed at career development.

Not everyone buys into regulation of the poor. NCV, as an atypical service provider agency, is the prime example. In fact, organization members deliberately avoid being co-opted by elite interests, by avoiding grants with punitive or restrictive stipulations. As one leader noted, intake verification procedures often serve only to exclude. Therefore such procedures go against the mission of NCV. Work Solutions is also atypical, although it certainly qualifies as a service provider. Work Solutions is high capacity, and still does encourage traditional work norms, even as employees aim to integrate student-clients into higher level positions. Of course, some of the poor can be assisted into better-paying jobs without challenging the system or threatening the imbalance of power between labor and employers. The presence of Work Solutions is tied to the existence of a higher education system and an urban infrastructure that supports such innovation and professionalism. Not all localities can boast the cultural capital that gives rise to such agencies, although there are reasons to believe that similar organizations exist elsewhere in the United States, as NCV is modeled after a national ideal and Work Solutions is taken as a model.

Race relations may also contribute to understanding why NCV is able to thrive. Race is indeed important for understanding why NCV does not believe in regulating the poor—many leaders derive from a civil rights protest background, having engaged in fighting for less restrictive welfare for racial minorities in earlier decades. These leaders maintain a class and race consciousness. Whereas much of the white public has little experience with the poor, who are rendered invisible to them through spatial segregation, it is easier for them to

hold on to the ideology that the poor are the shiftless unemployed. Further, stereotypes about the poor have been historically racially-imbued, dampening sympathy among whites and some upper class non-whites, and causing concern about irresponsible use of tax dollars for anti-poverty programs. Thus, having an organized African American group in the community provides some resistance to such regulation of the poor.

One positive impact of welfare reform is that nonprofit and other government agencies like ESC and even Joblink have indeed engaged in more intense collaboration with government social services offices. In this way, community capacity in the form of dense networks is improved. Agencies' organizational capacity may also be improved through the benefits of networks and shared resources. However, these relationships are clearly best nurtured when resources are adequate. Referrals do not work nearly so well when none of the agencies have the resources to help clients. Without adequate resources, organizational capacity is not fully activated. It is also worth noting that coordination between agencies may not always help the client so much as the organization, in efforts to remain solvent and maintain legitimacy.

## DISCUSSION

When the social service delivery system is considered as a whole, in terms of the options and assistance offered to the poor, it is undeniably regulatory. There is some alleviation combined with material and ideological support for low-wage employment among the poor. Because there are even fewer job options within the rural county and it makes less sense to enforce low-wage work, combined with a lack of organizational capacity and

resource scarcity, service provision to the poor mostly takes the form of basic assistance, despite the fact that this is highly inadequate. In the urban county, the poor are forced in a number of ways to rely on employment in the private workforce, despite the fact that the low-wage labor market cannot currently absorb all jobseekers. In a sense then, this regulation of the poor is not being done very well. It does not seem to serve much purpose, in fact, except to reinforce neoliberal dogma about employment and self-sufficiency. It may be that service provision has not caught up yet to current conditions, as there has been very little disorder or rebellion. Or, it may be that the poor are being better regulated through other institutions, such as the law enforcement institution which deals with the nondocumented, for instance, through detention and deportation (see Goode and Maskovsky 2001 and Davis 1997 on criminalization of the poor).

Because grantors, elites, and the public have power over many of these agencies, the organizational strategies employed to survive result in the regulation of the poor. Further, agencies with high organizational capacity are not immune to these pressures, as evident with City Ministry and DSS in the urban county. However, the emphasis on participation in low-wage work is not very successful, because there is a decreased need for a large low-wage workforce. I believe this is attributable in part to the persistence of neoliberal ideology, which is in fact written into federal welfare-to-work policy. The poor may also be considered expendable, or at least their hopes and aspirations are expendable (Wilhelm 1970). For elites and middle class voters, there is no need to truly integrate the poor, unless additional cheap labor is required. For capitalists, there is not necessarily great incentive to care for the jobless poor, even if humanitarian concerns lead to certain limited forms of

philanthropy. From this point of view, money that could be going toward savings/investment (as with tax benefits for corporations and the affluent) is wasted on assisting consumption by the poor.

Since 1971, the Piven and Cloward thesis that welfare systems serve to provide some social control without interfering with the low-wage economy has been challenged. Some researchers, for example, fail to find a correlation between welfare caseloads or restrictive requirements and the size of the private labor force in recent years (Chamlin, Burek, and Cochran 2007), casting doubt on the generalizability of Piven and Cloward's claims. Piven and Cloward's thesis may be more era-specific than they initially thought. It is also possible that the federal government has changed its tactics of regulation. There is no reason to expect that welfare will always be the chosen means of controlling the poor. There is also no reason to expect that welfare will only be used to control the poor, given the involvement of various actors with differing motivations.

However, as I find, under the overarching guidance of a work-centered, minimal provision federal welfare system, local charities and agencies are only able to deviate so far from conventional welfare methods. Only when there is high capacity and some autonomy in methods, and especially some organization of the poor, do I find local leaders who are willing to stop regulating the poor as should-be low-wage workers. And in the urban county, where there is a more sizable low-wage sector, I find more intense efforts to integrate the poor into this labor market, versus the rural county where there are fewer job options. Thus, regulation of the poor may vary by place and according to community factors.

## CHAPTER 7 CONCLUSION

### CONTRIBUTIONS

This dissertation speaks to two issues broadly speaking: how the poor are served, and how this differs across place. I contribute to the literature on service provision and welfare by detailing some of the factors that affect local service provision and by examining how the rural-urban dimension can matter. I demonstrate the contradictions with which providers cope in addressing an issue that may not be solvable within a local context, particularly given that withdrawal of federal support, federal welfare retrenchment, and government fiscal crises. There is a wealth of research examining how welfare reform has affected service provision agencies and the poor, particularly former welfare recipients (Zylan and Soule 2000; Piven et al. 2002; Hays 2003; Pearson 2007; Tickamyer et al. 2007; Solomon 2008); however, there are no studies to my knowledge that examine the service provision system holistically and in-depth. Some researchers (Salamon 1995; Curtis 1997; Alexander 2000; Evans and Shields 2002; Jennings 2002; Kissane 2003; Van Slyke 2003; Pickering et al. 2006) do examine the implications of welfare reform and devolution for nonprofit organizations, however, there have been few attempts to produce a picture of the service options for the poor in a given area. For instance, previous studies by Duncan (1999) and Fitchen (1981) focus on opportunities and services from the poor's point of view, but only provide some detail on how and why the service provision system develops and operates.

Furthermore, I can demonstrate how service provision differs for a rural and an urban county. I contribute to the theoretical literature by suggesting that the processes of regulation



(Piven and Cloward 1971; Wolch 1990; Little 1998; Chunn and Gavigan 2004; Hasenfeld and Powell 2004; McDonald and Marston 2005) and service restrictions (Alexander 2000; Austin et al. 2009) that other researchers have noted, while widespread and systematic, are related to place and are specific to particular local configurations. Finally, I examine not only the nature of service provision, but how it is linked to local factors such as the presence of financial and social resources, and macro-level factors including uneven economic restructuring and neoliberal policies that constrain locals in their economic and social development strategies.

Therefore, I also contribute to the literature on global political economy by detailing the impact of these factors at the local level. I examine how organizations that serve the poor have responded to the changing nature of work as described by Goldsmith and Blakely (1992), O'Connor (2000), and Sassen (1998, 2009). I demonstrate how the U.S. and local governments have affected the organizational environment for service providers by reducing taxes, privatizing, and cutting social spending in response to the intensification of competition in the global economy. Finally, I demonstrate that because uneven development processes disadvantage some areas, inequality (in service provision specifically) is reinforced within and across place (see Amin 1976; de Janvry and Garramón 1977 [2000]). I examine how neoliberal strategies develop at the local level and in some cases are challenged. Considering especially how responsibilities have been devolved to the local level, it is important for researchers to specify the constraints under which communities address the issue of poverty.

I use a variety of methods in this study that enhance my analysis. By taking the county as the level of analysis, I am able to examine the role of place and space. Individuals live in locations where there are typically multiple sources of aid, and service delivery systems operate at the county level. I rely not only on valuable participant observations, but extensive interviews with various key informants from different organizations, sectors, and positions; secondary data on the county and organizations; and observations that extend from my repeated visits to the counties. Thus, while I compare across organizations and counties, I have also developed a diverse and rich set of data from which to analyze. This provides a unique perspective into the challenges facing local actors and poor communities in the two counties. Through my volunteer experiences, I learned what it is like on the frontlines of service provision to the poor, at least for a short length of time (several months). This provided insight into the process by which clients access services, and how services are delivered. But I was also able to balance what I experienced and observed as a volunteer against other sources of data. Triangulation not only serves as a validity check, but also provides a multifaceted understanding. This holistic analysis allows me to examine the impact of intersecting factors for county-level service delivery systems. This involves the impact of federal policy, place-based factors, and global political economic trends, as I discuss below.

### *Impact of Federal Policy*

By examining service provision at the county level, I find that the service options for residents are fairly circumscribed. Overall, services are meted out based on a neoliberal

rationale of work enforcement combined with minimal relief. Some populations are systematically disadvantaged in the county network of services, including foreign-born immigrants in particular. I also find that county-level coordination operates to conserve resources among organizations in the network, often serves to regulate clients, and only directly assists clients in minor ways. Finally, efforts to resist neoliberal doctrine about helping the poor exist, but thus far have had limited impact at the county level. These findings contribute to the literature on service provision by demonstrating how policy constraints extend throughout a network of organizations at the local level. Whereas some nonprofit scholars (Hood 1991; Jeong 2007; see also Kettl 1997; Alexander 2000) argue, for instance, that competition among agencies will improve services, I find that in the current policy environment, organizations strive for legitimacy, not effectiveness (Meyer and Rowan 1992 [1977]). This legitimacy entails regulating the poor and enforcing participation, or the seeking of, in the low-wage labor force.

Welfare retrenchment and devolution have left organizations more vulnerable to funding competition and a market-centered ideology that does not address the insufficiency of low-wage work. As a result, I observe regulatory and restrictive services that impel many clients to rely upon low-wage labor or other sources. This occurs despite the dubiousness of economic self-sufficiency for most clients. Clients of agencies in this study have a difficult time making ends meet. In fact, they find it impossible, necessitating their use of agency resources. Deindustrialization, high unemployment, and a sizable low-wage sector are facts of life for both Woods and Marian County working-class residents. Lack of support for physical and mental health care, addiction, child care, debt, and affordable housing are also

problems residents of both counties confront. These problems often stem from and exacerbate the underemployment issue. Currently, forecasters are ominous about future employment rates, and suggest we may be experiencing a “jobless recovery” (*The New York Times* 2010a). At the same time, states face a worsening fiscal situation (*The New York Times* 2010b). Therefore these harsh realities are not going away anytime soon.

Due to accountability to funders and the imbalance in the level of need and availability of resources, many nonprofit service provider organizations confine services to the most needy, and restrict the service-usage of all clients, regardless of level of need. In addition, restricted federal funding for services for immigrants translates into a dearth of services for this population. State and local politicians are loath to devote any resources to immigrants. Further, because there are many in need, personnel are concerned about clients abusing the agency and its services, which impairs services overall. In the social services provision field, clients are often desperate, and therefore their word is generally not taken at face-value. This makes documentation all the more necessary, for funders want to make sure their money is going to those who truly qualify. This set of concerns translates into an exclusive, restrictive, and highly bureaucratic intake process for many social services agencies generally. Moreover, these bureaucratic requirements and the arduous intake process prevent those who can rely on work and other support systems from using the services. Most people would rather work the extra hours necessary or borrow from family members, if these are options—but for clients of these agencies they are not. Basic needs provision is minimal—only the desperate will rely on it.

Lipsky's (1980) observations on the contradictions faced by street-level bureaucrats are instructive here. Given the environment these organizations are functioning within, it is difficult to meet the needs of clients without burning out. Thus, we see bare minimum provision in the rural county to maintain their minimal safety net, while in the urban county, agency personnel employ elaborate processes to conserve resources. Despite being motivated by goodwill, efforts to help the poor become regulatory. To deal with the contradictions of addressing an issue that may not be solvable within the local context, service providers justify the restrictions by relying on rules and procedures, following funding requirements, and displacing much of the burden of proving need onto the poor. They force the poor to rely on any other source of aid possible, and portray their services as a last resort. Thus, family and social networks and employment are made preferable to seeking the services of, say, emergency crisis assistance, Work First, or any similar assistance.

I also find cases where service delivery and impact in the two counties are limited despite concerted efforts to improve service delivery in the face of welfare retrenchment and localization. For instance, local coordination between organizations does not necessarily create additional resources to fight poverty, nor does it fundamentally affect redistribution of wealth to lessen income inequality among residents at any level. Primarily, local coordination between organizations renders the use of funds more efficient. This may in fact assist organizations to survive more so than it does people. The type of local coordination that *can* assist in redistributive efforts occurs between people in poverty, the working class, and progressive leaders. While the ministry system in Marian County is fairly efficient, it does not fundamentally alter inequality.

The social justice organization, NCV, while drawing on fewer funds, is able to draw on other community and social capitals in order to challenge a system that reinforces inequities in living conditions. While not always successful, NCV efforts go some way toward creating a more sustainable community at a local level. Organizations that empower the poor in this way may actually increase community agency in responding to economic polarization.

Organizations must strive for legitimacy, not just effectiveness (Meyer and Rowan 1977 [1992]). National policy including PRWORA legitimates individualistic service ideology based in ideas of self-sufficiency and individual responsibility versus equality and community responsibility. Therefore, processes of regulation and restriction serve to legitimize the agency in the eyes of policymakers, funders, and the public at large. Those few agencies that do violate these assumptions have the organizational capacity, historical legacy, and/or embeddedness in key communities to find more progressive supporters. However, the further away from basic neoliberal tenets these agencies get, the more contentiously they are viewed in the larger community (i.e., New Community Vision).

In short I find that national welfare policy and devolution limits not only public social service offices, but organizations throughout the counties, hindering the capacity of nonprofits to serve the poor. More importantly, however, I find that the impact differs across place in key ways.

### *Rural-Urban Differences*

Research suggests that poverty differs significantly in urban and rural areas since it is tied to different economic, political, and social processes (Tickamyer and Duncan 1990; Gilbert 1982; Bradshaw 2007; see also Anderson, Schulman, and Wood 2000). I contribute to these discussions on poverty and service provision by demonstrating that service availability depends on where you live, and can differ dramatically by place. The local context matters. I detail some ways in which organizations in different localities can be constrained, and how global processes of uneven development create, and national policy perpetuates, inequality across locale. My main point here is that while policies of welfare retrenchment and devolution have strained government and nonprofit service providers across location, the implications are worse for areas that have a dearth of capacity and resources to compensate. Rural areas tend to be dependent on government welfare services, lacking the variety and vibrancy of a strong nonprofit community. In places that lack adequate financial capital, social capital, cultural capital, and racial parity, recent policy trends hold dire implications for the poor.

Although I make the argument that the rural organizations lack the capacity to adequately address poverty, and that the urban county organizations have higher capacity, capacity appears to be a necessary but not sufficient condition for alleviating poverty. For instance, urban county officials can engage in more advanced and effective economic development programs than can the rural county. At the same time, economic development efforts in the urban county will most likely not trickle down to the poor, especially the most vulnerable. The urban county can rely on market solutions, which, while deeply problematic,

will provide some means for survival in a context in which non-market means for survival have been withdrawn. In the rural county, however, market solutions are not realistic, leaving the poor in an even more precarious situation.

Social capital appears to matter, because social ties can be used to acquire additional resources, including funding or other forms of support. Scholars, including Flora and Flora (2008) have argued that community-level social capital is an important resource for sustainable development (see also Lopez and Stack 2001; Szreter 2002; Agnitsch et al. 2006; Emery and Flora 2006). Indeed, I demonstrate that social capital is another potential factor in urban-rural differences in service provision. For instance, many of the urban organizations appeared to have better external ties than the rural organizations in this study. They were better able to access resources as a result. In addition, there were more organizations and individuals within the urban county with information or resources to offer and trade. Thus, internal networks were more productive. Places with fewer ties overall are disadvantaged when it comes to acquiring useful information and utilizing other services.

The capacity for innovation and progressive action is also related to what I term here cultural capital: the presence of educational, social, and intellectual knowledge or ways of seeing the world that is available to people and groups.<sup>14</sup> Although initially this term was applied to individuals (Bourdieu 1984), and used by sociologists of education to describe children's success in academia and the market, it has also been used to describe community-level resources or the existence of a shared (vibrant) culture (Lopez and Stack 2001; Emery and Flora 2006; Flora and Flora 2008). I find that the urban county where such capital is in

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<sup>14</sup> Flora and Flora define it similarly. For instance: "Cultural capital reflects the way people 'know the world' and how to act within it as well as their traditions and language" (Flora 2008: 4).



higher supply has supported innovative organizations such as Work Solutions. By devolving responsibility for social welfare to local organizations, inequality in service availability will occur because of the great variability in these different factors across space and place.

Again, the rural-urban is one such divide. Regions of low population density are much less likely to provide the social, cultural, and economic capitals that social service agencies require to survive in this hostile anti-redistributive climate.

Local race relations can also play a role in local service delivery configurations, although perhaps not in the traditional ways that some scholars might expect. Many scholars are concerned with and have effectively documented racial disparities in services (Zylan and Soule 2000; Soss et al. 2001; Deeb-Sossa and Bickham Mendez 2008; Schram et al. 2009). Other scholars suggest that welfare reforms affect racial minorities differently, in effect compounding their disadvantage (Neubeck and Cazenave 2002; Brush 2003; Schram 2006). For the most part, I did not see racial inequality in how services are delivered, or in the expectations for different clients. Within the counties, white and black clients are treated similarly. However, undocumented status is treated differently. Some services, such as Work First services, are not available to those without a social security card. Since many undocumented residents tend to be of Asian, Latin American, or African background, racial and ethnic minorities are affected in much greater numbers than whites, albeit along the citizenship fault line. Although the source of these rules are for the most part initiated at the national level (e.g., use of federal funds and requirements of agencies such as the Salvation Army), the rules are perpetuated at the local level. There is little local money devoted to this gap; instead, local urban officials attempt to deport undocumented immigrants. Therefore, in

places where there are large numbers of undocumented immigrants, nonprofit agencies that serve this population will likely find their capacity strained. In the rural county, although the rules and procedures within agencies are the same for all clients regardless of race, given the history of race relations within the county and the large number of black low-income residents, the poor quality of social services appear related to white apathy and black powerlessness. Therefore in locales with high racial inequality, low-income communities may be particularly disadvantaged by the lack of elite will to alleviate conditions.

Notably, it is in the urban county where challenges to neoliberal practices and ideologies exist. NCV leaders take stock of structural barriers to economic equality and social sustainability and adapt strategies accordingly. For instance, recognizing that there are often neoliberal strings attached to grants and government funding, staff members apply selectively to maintain adequate autonomy. These urban leaders also challenge policies and practices that disadvantage poor communities in the name of economic growth. Among other activities, they have challenged or protested the placement of a sports park in an African American community, the criminalization of racial minority youth, and use of stimulus package funding. I found this strategy wholly absent in Woods County, where key informants tended to convey a sense of powerlessness. Yet, in some other studies of rural areas, elite-dominated welfare provision has been challenged. In one notable case, Stack (1996) explored the agency of African Americans who returned to their rural homes in the Carolinas after working in the Northeast for a period. Upon seeing the vast need combined with the refusal of local white government officials to provide needed services such as childcare, several African American women in one rural North Carolina county organized

themselves to harness federal funding for services and bypassed the local social services offices after meeting resistance. They drew upon skills learned in their former city jobs and external networks to succeed, creating a service provision agency from the ground up with external funding and support. Notably, the change that was introduced in this rural county was dependent upon external experience and external support, combined with the investment of local African American women, who could be described as externally empowered. These circumstances are similar to the position of the local progressive African American Protestants in urban Marian County. Rural residents who face a local power structure that does not serve their interests require skills, knowledge, and networks that cannot currently be found within their county (see Flora and Flora 2008). Developing training and forging networks to empower rural residents and potential neighborhood organizers may provide the foundation for real change in these communities.

And finally, it is possible that in some locales, such as some rural areas, there exists less potential for agency. Some of the community organizing tactics celebrated from Alinsky onward, such as “hitting the streets” and going door-to-door, holding accessible neighborhood meetings, distributing fliers, and building block-by-block networks (Heathcott 2005; Alinsky 1971), are more difficult to employ in rural areas. On the other hand, the rural county does exercise more initiative in the sense that agencies are flexible. For instance, the town government and Family Services agency in Woods County permitted the housing of homeless women who did not fit the definition of abused. But this flexibility is a product of fewer obligations and informality. It does not fundamentally alter the lack of capacity to address poverty; it is an adaptation to desperate circumstances.

Devolution does not translate to local autonomy. It is probable that the faultline of advantage occurs on other social divisions than merely the rural-urban. The level of integration with the larger political economy may be the more precise factor that bodes well or ill for different places. Regardless, withdrawing federal investment from local communities reinforces uneven development and locally-specific disadvantage. Rural areas, with narrower economic structure and financial vulnerability, are left behind in a market-driven system.

### *Global Political Economy and Local Autonomy*

The realities of the economy make some policies more viable than others, particularly at the local level. Here I discuss some of the global factors that influence the organizational environment in these counties. The increasing casualization of work and general economic insecurity has increased overall reliance on social services, while work and training programs for the poor cater to these low-wage sectors. Second, increased global competition has put downward pressure on local and state governments' taxation and increased the necessity to lure in businesses versus provide social services. In addition, the effects of uneven development processes of global capitalism results in widely disparate options for providing services for rural and urban areas. Given these conditions, many local strategies to address poverty remain couched in neoliberal terms, although I do note some resistance. Therefore I am able to demonstrate some of the impact of global economic restructuring on local communities. It appears that the conditions of the new economy do impel neoliberal responses given short-term consequences.

In response to the decline in manufacturing and the rise of the service sector, work programs for the poor are often targeted at these new low-wage sectors, including the medical fields, the prison industry, and even the informal sector (e.g., cleaning houses) or entrepreneurial options. Work Solutions, for example, provides small business/entrepreneurial programs and grooms students for low-management positions in the service sector, such as restaurant crew leader. DSS Work First and JobLink programs, however, aim at placing clients into any entry-level jobs they can find, or into short-term training such as CNA programs. The rationale is that any job is better than no job or welfare dependency. Although living wage jobs are hard to come by, service providers cling to the notion that work is the solution. However, agency personnel realize that the working poor exist, and organizations such as City Ministry claim that employed people make up a large part of their clientele. Nonetheless, they do not respond by significantly expanding the assistance given per household to make up for this income gap—rather, the increase in number of people who require services gobble up resources, and personnel continue to restrict services to meet this increase in demand.

Responses to the new economy are evident in other ways. In the urban county, there have been efforts to compete for business and economic growth. The reality of global competition even spurred a forum on lean manufacturing in the region, aimed to help local employers “compete in a brutally competitive global economy.” The urban county has offered incentive packages for particular transportation and manufacturing companies. However, local service providers recognize that efforts to lure in employers will not impact their most vulnerable clients (which they would argue constitute the majority of their

clientele). Furthermore, although I do not observe the taxation and spending processes of these counties, it is evident that they have not raised enough taxes to make up for cuts in social services at the state and federal level.

Agencies have also been hard hit by deep social services funding cuts at the state level. These cuts, common across the nation, derive from state impoverishment, involving the reduction of tax revenue resulting from competition for residents and businesses and the intensely negative political climate for taxes. There has long been and continues to be serious resistance to increases in state and local taxes, related to the neoliberal discounting and traditional distrust of involved government. Therefore, as a state and as a nation, we are content (and elites are eager) to funnel some resources toward investment rather than consumption. Economic growth is considered the golden ticket to future security at all levels. In the name of future security, then, elites prefer to funnel resources toward promoting more growth, rather than redistributing downward. However, not all growth benefits the poor. We never do seem to attain that promised future security, as Roemer (1994) points out. Moreover, there are vastly different opportunities for economic growth in urban and rural areas, as I discuss in chapter four.

Economic globalization impacts both urban and rural areas—increasing the competition for businesses and tourists in urban areas, and increasing exploitation of natural resources in rural areas. In both cases class inequality is increased. Moreover, the downward pressure on wages and the mobility of production increases worker vulnerability across place. However, although a volatile global economy may harm both urban and rural economies, urban and suburban areas with diverse economic structures may be more resilient

than rural areas (as Flora and Flora 2008 point out). Similarly, Amin (1976) and de Janvry and Garramón (1977) have discussed the disarticulation of economies and societies of peripheral or disadvantaged areas. These areas serve as sources of cheap goods and labor for wealthier areas but are unable to generate a significant internal market that might foster local development because of low wages. The cycle of rural poverty maintains dependency, underdevelopment, overpopulation, and an oversupply of workers (de Janvry and Garramón 1977). The disadvantage of the rural county thus derives from uneven development processes that are inherent in unrestrained capitalism. Although others have since made amendment to the disarticulation hypothesis, the notion that rural areas are systematically exploited and marginalized in the global economy is useful for examining how local actors are constrained in attempts to remedy poverty. Thus, progress in relieving rural poverty will probably stagnate as policies of devolution and welfare retrenchment leave these people behind.

This study also contributes to discussions about global challenges for local communities. There is much attention in the literature recently to global-local dynamics and increasing social sustainability through community practice. Different communities have different capacities to support social change or provide minimum levels of services. Uneven development across the terrain of global capitalism advantages some locales over others. The amount of resources available to nonprofits in this time of devolution and “Third Way” strategies varies widely. Despite continuing urbanization, rural areas remain populated by large numbers of the poor and must be considered as important battlegrounds for efforts at social sustainability. DeFilippis’s view is “Capital mobility and economic restructuring have

created a context in which localities seemingly have fewer options on the table than before” (2004: 35).

Perhaps community resources can be harnessed to address poverty in more progressive ways. The problem is that the very factors that make local characteristics, such as social capital, so necessary for addressing contemporary social problems, such as devolution and taxation policies, also impair the development of these characteristics. The withdrawal of government involvement can impair the development of social capital, as Szreter (2002) demonstrates in his historical analysis. State governments have also been integral to the development of the university and college system, yet, state funding for higher education has declined. And the neoliberal context of capital mobility and local competition for businesses undercut local governments’ financial viability. Therefore “community capitals” (Flora and Flora 2008) are endangered by neoliberal trends. Yet, these factors, including social and cultural capitals, are the very same factors that are supposed to make up for the loss of federal support and regulation, international mobility, and deindustrialization.

Perhaps organizations and individuals in this study are simply not exercising agency, despite the possibility of doing so. What is the potential for agency in these cases? For instance, I have suggested that community “vitality” (Cook et al. 2009) impacts service provision. But it is also the case that service provision can contribute to local capacity—as suggested by Cook et al.’s (2009) study on how efforts to secure adequate housing in rural areas enhances economic development efforts. But this also implies a double-bind—where does one get the resources to improve housing or other services? Macro-level economic polarization and political demobilization have eroded the institutions through which the



working class and low-income populations used to exercise some power, including civil rights movements and labor unions.

Thus, it is the intersection of the macro-level global factors with the local that forms the heart of this story. Local service providers and government officials are limited by global factors including deindustrialization, the need to compete for businesses, national welfare policy, reduced funding, and a neoliberal context that involves expectations that organizations will be non-redistributive, bureaucratic, and exclusionary. Given these limits, different organizational strategies emerge around bureaucracy, exclusion/inclusion, networking, funding sources, and activism. Processes at the organizational level illustrate how neoliberal environmental factors intersect with capacity to produce differential regional outcomes. So, although localities are affected by global factors, there is some room to address poverty in different ways. However many of these local processes operate to reinforce neoliberal expectations for the poor, such as dependence on the market rather than protection from the market. This demonstrates how local factors may technically be “localized,” without precluding the influence of the global or national. In the urban county, for instance, government and nonprofit leaders often construct services to make low-wage employment the centerpiece to addressing poverty, which is consistent with national standards of welfare policy and international expectations for supporting a free market in labor. In the rural county, services are limited, thus necessitating low-wage employment, albeit with fewer mechanisms in place to support such employment. These results strongly suggest that unregulated capitalism (i.e., neoliberalism) creates an environment in which we seemingly must tolerate poverty.

## LIMITATIONS AND FURTHER RESEARCH

There are two main limitations to these research methods, which point to some suggestions for future research. First, I do not examine differences among rural places or among urban places. Second, this is not a longitudinal analysis: data collection occurred over a period of months, not years. Therefore generalization to other urban and rural areas is limited and analysis of change and causality underdeveloped. Future research could further examine how the context of place matters by comparing within the rural or urban categories. Case studies of rural counties, for instance, could be useful for examining the different opportunities for rural counties and better specification of the ways in which a rural location constrains service providers. Case studies of urban areas could address how some cities are more privileged than others, and detail different forms of resistance and accommodation. In addition, a more longitudinal or historical study could capture how service provision systems develop and respond to change. Perhaps service delivery configurations are path-dependent and/or persist over time. By providing a historical analysis, we could better determine casual processes and the relative importance of local and extralocal factors.

I would also make a case for more action research aimed at transforming how communities address poverty in a given locale. Although this sort of research also relies heavily upon funding (and perhaps also subject to similar constraints as the service providers in this study?), amassed resources, and time, the analysis could provide fruitful information about how communities can respond to the multiple challenges of neoliberal restructuring. Moreover, integrating insights about class, race, and gender inequality into a community project would theoretically help empower the low-income community (Richardson and

London 2007). Such projects do exist, although they are often beset by problems, such as inadequate funding, burdens of program evaluation, communication issues, unequal power relations, and the need for sustained action (Richardson and London 2007; see also Fraser et al. 2003). Alleviating or eliminating poverty requires constant vigilance, and communities face daunting challenges requiring immense and sustained efforts among vulnerable sectors.

## POLICY IMPLICATIONS

The implications of this study apply to multiple sets of actors, including the different levels of government and the nonprofit sector. First, I focus on the federal level, discussing policy implications for government-nonprofit relations and for rural and urban areas. Next, I make policy suggestions for state and local governments. Then I draw on my findings to provide suggestions for local agencies as well.

Devolving responsibility for social services to nonprofits is a problematic policy response. Community organizations require far more support than they are receiving in order to provide a safety-net. Currently, the nonprofit organizations in this study do not have the capacity to replace government aid. Furthermore, in many cases they do not retain the voluntary, non-bureaucratic character for which they are celebrated in devolution or “Third-Way” rhetoric. When responsibility for the safety-net is devolved to nonprofit organizations, they often inherit the logic behind governmental programs. As Wolch (1990) argued, nonprofit agencies that work with or in the stead of government agencies can become a “shadow state”, acquiring the same regulatory and bureaucratic processes associated with the use of tax dollars. Under a neoliberal state, in particular, many nonprofit agencies do come

to perform similar functions as welfare-to-work government agencies. There is, of course, that contradiction of government funding—it is badly needed, but due to strict oversight requirements, it comes with major strings attached. The solution is to have a completely different national agenda for poverty, one that provides some buffer from the vicissitudes of the labor market, rather than simply positing participation in the labor market as the end-solution. The social service office is well-placed in many communities to provide deeper and more far-reaching services, if they are better supported at the federal, state, and local levels. Policymakers who truly care about helping the poor should question evaluation measures that lead to restrictive and regulatory procedures.

Furthermore, devolutionary policies can potentially devastate rural communities. Despite their acute problems, urban areas are also often rich in community and religious organizations that in some cases can successfully defend and empower local interests (Goldsmith and Blakely 1992; Harvey 1987; Small 2006). While both urban and rural communities may feasibly be able to form resourceful ties, improve social and economic investment, and successfully exercise social capital in the doing, such exercises in agency may be very unlikely for the rural community under the realities of capital mobility. In locations where there is high racial inequality and unorganized racial minority groups, government may need to step in and do more for the economically distressed. Policymakers must recognize the need to build capacity in rural agencies, even though we cannot disregard the large need in urban areas.

Implications for local and state governments, then, involve the need to foster capacity-building among agencies without attaching too many burdensome requirements. For

rural areas especially, simply adding more services is insufficient without empowering organizations and their staff through investment in additional departmental staff and skills. In addition, policymakers and local officials need to reconsider economic development strategies. Providing highly-skilled jobs that require education may not help the poor, who do not have access to these skills. On the other hand, encouraging service industries or the building of prisons that provide low-wage jobs will have a limited impact on the poverty rate. Rather, programs to expand support services while improving educational and training opportunities for the poor might go farther toward lessening poverty. Admittedly, in the short-term, this is a much more expensive option than the currently favored rapid work insertion programs.

This study also holds implications for agencies, despite the emphasis on constraints. For instance, agencies can engage in more direct advocacy and/or the supporting of community advocacy efforts. Local leaders need to develop arguments against regulating the poor. Agencies need to give the poor more voice in affairs, and attempt to convince funders by producing arguments from the bottom up. As NCV has demonstrated, coordination can be useful in this endeavor. Local agencies also need to develop, in community meetings perhaps, ideas about how to protect people from the vicissitudes of the market including, for example, ideas for living wage jobs. It is also necessary to recognize the practical importance of internal and external ties and the need to acquire funding for basic operating costs. Overall, however, it is important that the third sector retain their advocacy role in public affairs, and take part in challenging punitive economic policy.

At this historical moment, such changes in economic policy do not appear forthcoming. The current resistance to health care reform, with perhaps only lukewarm support among the middle class, demonstrates the challenges facing vast overhaul of policies affecting the well-being of Americans. Given the current political climate during this economic recession, minimal reforms to alleviate some suffering appear most realistic for the foreseeable future. We continue to operate under the promise of better conditions for all with economic growth—but this promise is illusory. Despite centuries of economic growth, we have not reached this utopia. The neoliberal logic of economic freedom prohibits any sort of material redistribution of wealth, and suggests we must continue to disregard the livelihoods of millions worldwide in order to arrive at a world in which all share the bounty of growth. Clearly, this is not only highly unlikely, but socially unsustainable. Welfare safety-nets across advanced industrial nations have been dangerously strained for demographic and economic reasons, and these governments have attempted to pragmatically assess work programs while moving essentially toward individualizing risk (Esping-Anderson 2000; Quadagno and Street 2006). The details of recent welfare reforms, such as PWRORA, neatly dovetail with neoliberal economic policy at the global and national levels that require less government, a flexible labor force, and the individual absorption of risk (see Cope 1997). As Quadagno and Street (2006) point out, PWRORA is less about work incentives than moral regulation of the poor. Hence, the organizational environment in which agencies in this study operate does not push agencies to place poor adults into employment that would bring them out of poverty so much as to enact disciplinary measures (Peck 2001; McDonald and Marston 2005; Schram 2006).

## IN CLOSING

In effect, services available to the poor differ dramatically between the two counties, and for different populations within the county, especially noncitizens versus citizens in the urban county. There are fewer places to go for assistance and fewer services available in general for residents of the rural county who find themselves in crisis or chronic poverty. In the urban county, the service delivery system is by no means perfect, and many do fall through the cracks, but the options are more numerous. Even though the amount of resources may seem balanced in terms of population size between the two counties, there are marked differences in organizational capacity to serve residents. Without a more politically empowered poor and the pressure for improved services, locals who do have generous intentions or a progressive consciousness find themselves in contradictory positions.

Undergirding this battle is a political economy in which the poor are mostly dispensable and noncitizens even more so. Nonetheless, politicians, neoliberal economists, the public, and service providers/practitioners continue to cling to the ideals of low-wage employment, which is not only a questionable means out of poverty, but may not even be a realistic option for a large number of people. This is not to say that the poor would not like to work. The poor are in fact a very heterogeneous group. Many have substantial employment barriers. Many do work one, two, or more jobs. Some survive in the informal or underground economy. Some live on disability or social security income, unable to work in the private labor force. Many are elderly or children. There is no one face of poverty, although we would like to lump them in one group as lazy, misfortunate, uneducated, and wanton. Only thus does it seem acceptable that the same political economy that excludes

living wages for a sizable sector of the population while enhancing the affluence of others in the name of market freedoms, also restricts the freedom of public and private agencies to serve those who are cast off once their labor is not needed.



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## APPENDICES

## APPENDIX A. INTERVIEW GUIDES

### I. Interview Protocol for County Officials

#### BACKGROUND QUESTIONS

1. What is your current position?
2. How long have you been in this position? What did you do before you were in this position?
3. How long have you lived or worked in this county?
4. How many employees do you currently supervise?
5. What are some of the challenges that you deal with on a day-to-day basis?

#### WAYS IN WHICH POVERTY OR DEVELOPMENT ARE ADDRESSED

6. What are some ways in which this county addresses the issue of poverty? (Probe for specifics).
7. What resources does this county (Government agencies/DSS/Office) offer to low-income families?
  - a. Financial
  - b. Employment
  - c. Support
  - d. Health
  - e. Other
8. How do low income families access these services? [Probes: When an individual comes to your office and says they just need help, what happens then? How does someone access other services?]
9. Who is not served by your agency? What about [those physically unable to work, substance users, working poor, homeless, elderly, etc.]? What services are provided to these groups?
10. How have services/operations changed since 1996 welfare reform?
11. How does it get decided what programs get funded? Who else in county government is involved in poverty initiatives or local economic development?

12. Does this county government have advocates or lobbyists for federal funding for poverty alleviation or economic growth? Examples?

#### HOW OTHER ORGANIZATIONS ARE INVOLVED IN SERVING THE LOW-INCOME COMMUNITY

13. What organizations outside of government do you work with to serve low-income residents? [Probe: What do they do?]
14. Do different members and institutions in the community work together?
  - a. How do they do this?
  - b. What are the advantages and disadvantages to this coordination?
15. Do you think this is the best system to serve the poor? If not, what would work better?
16. How involved is your target population (e.g., the low-income population) in these initiatives?

#### SOME LARGER ISSUES

17. What does the term “self-sufficiency” mean to you?
18. What resources are available for the county in addressing poverty?
19. What are some causes of or contributors to poverty in your county?
20. Why is this agency important? What is your response when someone says, ‘well instead of government helping the poor, they should just get a job’?
21. What are the biggest problems for poor people in this community? [Probes: What prevents them from getting out of poverty? What sorts of things threaten the survival of low income people?]
22. What is your agency’s biggest challenge in helping the poor? How are you adjusting to these challenges?
23. How does being in a(n) urban/rural location affect your agency? [Probes: Does it affect clients? What are special challenges associated with location?]

24. In what way do you think global occurrences affect how your organization is able to serve the community?

#### CHANGE

25. How has the recent economic decline affected your organization? How has it affected clients?
26. How has the recent budget crisis affected your organization? What changes do you plan to implement in response?
27. Have you cut any programs in the past five years?
28. What changes have you noticed in terms of how this department serves the community in the past five or ten years? [Probes: Have you noticed changes in funding streams? Collaboration with other organizations? Changes in county needs or requirements?]
29. Do you think that conditions are really going to change with Barack Obama's new administration?

#### FINAL QUESTIONS

30. If you could change one thing about your county that would assist you in addressing the issue of poverty, what would it be?
31. Is there anything else you would like to expand upon?

#### II. Interview Protocol for Nonprofit Personnel

##### BACKGROUND QUESTIONS

1. What is your current position?
2. How long have you been in this position? What did you do before holding this position?
3. How long have you lived or worked in this county?
4. How long has this organization existed?
5. What is the purpose of this organization? Who is your clientele?

6. How large is the organization? How many employees are there? Do you rely on volunteers at all?
7. Describe some of the challenges that you might deal with on a day-to-day basis.
8. What does the term “self-sufficiency” mean to you?

## SERVICES

9. What resources does this organization offer to low-income families?
  - a. Financial
  - b. Employment
  - c. Support
  - d. Health
  - e. Other
10. How do low income families access these services? (Probes: When an individual comes to your office and says they just need help, what happens then? Probe for requirements, restrictions, etc.)
11. Who are you not able to serve? For instance, are you able to serve [undocumented immigrants, the working poor, homeless, elderly, mentally ill, incapacitated]?
12. Do you address poverty in any other ways?

## ORGANIZATIONS THAT SERVE THE POOR OR WORK WITH YOUR ORG

13. Who and what organizations in this county are involved in administering services to the poor? Or, what other resources are available to the poor through other organizations that you know of or work with?
14. Do different members and institutions in the community work together?
  - f. How do they do this?
  - g. What are the advantages and disadvantages to this coordination?
  - h. How involved is your target population in these initiatives?
15. How could this system be improved?

## FUNDING AND OPERATIONS

16. What resources are available for the county in addressing poverty?

17. How does this organization fund its activities?
18. Have you cut any programs in the past five years?
19. What organizations do you work with? From where do you get referrals, and to whom do you give referrals?
20. Have the criteria used by government and funding agencies to evaluate efficacy changed in recent years as far as your organization is concerned? What are some general criteria you try to meet in your organization to remain viable for funders and auditors?

#### SOME LARGER ISSUES

21. What are some causes of or contributors to poverty in your county?
22. What are the biggest problems for poor people in this community? [Probes: What prevents them from getting out of poverty? What sorts of things threaten the survival of low income people?]
23. What is your organization's biggest challenge in helping the poor? How are you adjusting to these challenges?
24. Why is this agency important? What is your response when someone says, 'well instead of government helping the poor, they should just get a job'?
25. How does being in a(n) urban/rural location affect your agency? [Probes: Does it affect clients? What are special challenges associated with location?]
26. In what way do you think global occurrences affect how your organization is able to serve the community?

#### CHANGE

27. How has the recent economic decline affected your organization? How has it affected clients?
28. How has the recent budget crisis affected your organization? What changes do you plan to implement in response?



29. How has this organization, especially in terms of how it serves clients, changed in the last five or ten years? Since welfare reform of 1996? Any change in the structure or funding? Any change in the community, like need for services?
30. Do you think that conditions are really going to change with Barack Obama's new administration?
31. If you could change one thing about your county that would assist you in addressing the issue of poverty, what would it be? (Probes: Service gaps, How do you think the communities can best help the poor?)

### III. Interview Protocol for Front-Line Service Providers and Volunteers

#### BACKGROUND QUESTIONS

32. What is your current position?
33. How long have you been in this position? What did you do before this? Have you held similar positions elsewhere?
34. How long have you lived or worked in this county?
35. How did you come to be employed [or volunteer] here?
36. Do you hold other employment?

#### EXPERIENCES AS A WORKER/VOLUNTEER HERE

37. Okay, so now tell me a bit about what your job is like, on a day-to-day basis? What do you do?
38. What is your biggest challenge is doing your job? What challenges do you deal with on a day-to-day basis in helping people?

#### CLIENTS AND POVERTY

39. What sort of help do people ask for the most?
40. How difficult in your view is it to get out of poverty?
41. How can people get out of poverty?

42. What does the term “self-sufficiency” mean to you?

#### SERVING THE POOR AND LARGER ISSUES

43. What do you think would be the best way for this organization to serve the poor?

44. What is your organization’s biggest challenge in helping the poor?

45. How has the recent economic decline affected your organization? How has it affected clients?

46. How has the recent budget crisis affected your organization? What changes do you plan to implement in response?

47. How does being in a(n) urban/rural location affect your agency? [Probes: Does it affect clients? What are special challenges associated with location?]

48. Why is this agency important? What is your response when someone says, ‘well instead of government helping the poor, they should just get a job’?

49. What do you see as some of the larger reasons, like on a local, national, or global scale, for why we cannot eradicate poverty?

50. Do you think that conditions are really going to change with Barack Obama’s new administration?

51. Have you seen any changes since you’ve been in this position? How has this organization, especially in terms of how it serves clients, changed since you first began working here? [Probes: have you noticed other changes in service provision in general? In the community in general?]

#### OTHER EXPERIENCES

52. Have you ever participated in or volunteered with a community group that wanted to make change for the better in your community? If yes, Tell me more about that experience. What happened? Does this group still exist?

#### IV. Interview Protocol for Adults in Low-Income Households

##### BACKGROUND QUESTIONS

1. Were you raised in this county? If no, what are some other places you have lived?  
How many years have you lived here now?
2. Tell me about your family.
  - a. Who do you live with?
  - b. Do have any other children?
  - c. Do you have other family that live nearby?
  - d. Do you help each other out when needed?

#### OPINIONS AND COMMUNITY EXPERIENCES

3. In your opinion, how can people better their communities?
4. What does the term “self-sufficiency” mean to you?
5. Do you think that conditions for you are going to change with Barack Obama as President?

#### QUESTIONS ON QUALITY OF LIFE

6. What do you worry the most about on a daily basis?
7. What are your goals or hopes for the future?
8. What do you see as your biggest challenge?
9. Have you ever gone to a government agency, like social services, for help? What happened when you first went to this agency for help?
10. Lots of people receive different types of services, like Food Stamps, Medicaid, social security, Work First cash assistance, pensions, disability payments, the earned income tax credit through the IRS, unemployment, and child support.  
Which of these have you [or your children] ever received?
  - a. Food Stamps?
  - b. Work First cash assistance?
  - c. Medicaid?
  - d. SS?
  - e. Pension?
  - f. Disability?
  - g. EITC?
  - h. Unemployment?
  - i. Child support?

11. Have you ever gone to another organization in this county, like a church, nonprofit, shelter, food pantry, etc. for help? If yes:
  - a. How did you feel about that experience?
  - b. How many times have you gone to this place?
  - c. What are the advantages and disadvantages to using these services?
12. Who and where can you go to for help, if you need it?
13. How do you manage to get by on a daily basis? What do you do if you do not have enough money to pay the bills and buy groceries?

#### HARDSHIP QUESTIONS

14. About how often in the past year have you ran out of money for food?
15. Have you lacked medical insurance at all during the past year?
16. In the past year have you had to go without seeing a doctor when you needed to? How often?
17. Have you been homeless in the past year?
18. If you could choose one or two types of assistance or services that need to be improved or that do not exist around here, what would those be?

#### TRUST AND COMMUNITY

19. How well do you feel like you can trust the
  - a. People in your neighborhood
  - b. Local government
  - c. School personnel
  - d. Department of social services
  - e. Other organizations that provide services (based on above responses)
  - f. Police

#### HISTORY AND CONTEXT

20. How has the current economic decline affected you?
21. Tell me about your employment history. Probes:
  - a. What is the first job you ever had?
  - b. Are you currently working or looking for work?

22. Tell me about your education history. Probes:
- a. Do you have a high school diploma or GED?
  - b. Have you ever taken college classes or vocational training?

23. Demographic Questions:

- a. Sources of income
- b. Age
- c. Race/ethnicity
- d. How many people live in your household.

24. Do you have any questions for me or concerns about this study?

## APPENDIX B. DETAILS FOR PRIMARY ORGANIZATIONS

Table B.1a Woods County Organizations

<b>RURAL COUNTY</b>	<b>DSS</b>	<b>JobLink</b>	<b>County Parish</b>	<b>Family Services</b>
<b>Type</b>	Govt	Govt/CC	FB NP	NP / Town Govt
<b>Size</b>	Med	Small	Small	Small
<b>Funding Source</b>	Govt	Govt and Foundations	Churches, County Govt, Thrift Store	Govt and Foundations
<b>Funding Change (since about 2000)</b>	Decrease	Decrease	Decrease	Decrease
<b>Address Basic Needs?</b>	Yes	No	Yes	Yes
<b>Work-related Services?</b>	Yes	Yes	No	No
<b>Requirements</b>	Many	Few	Few	Many
<b>Clientele</b>	County low- income, black and white	Under- and un- employed	County low- income	Women, usually domestic violence cases
<b>Strategies</b>	Juggle funds.  Some referrals.  Provide supportive services for work when funds available.	Assist clients in finding work  Reach out to employers in other counties  Healthcare classes	Down-sized.  Now just basic services.	House women and their children for 4-6 weeks.  Presentations

<b>RURAL COUNTY</b>	<b>DSS</b>	<b>JobLink</b>	<b>County Parish</b>	<b>Family Services</b>
<b>Problems</b>	Lack resources, funds, space, and especially staff.  Paperwork, high workload  Narrow economic base	Getting clients to attend classes  High workload  Lack of transportation  Lack of jobs in county	Board mismanagement  Lack staff, resources	Funder guidelines.  High workload.  Lack opportunities for residents.
<b>Embeddedness</b>	External – Low Internal – Med	External – Med Internal – Med	External – Low Internal – High	External – Med Internal – Med
<b>Autonomy</b>	Low	Med-Low	Med	Low
<b>Level of Capacity</b>	Low	Med-Low	Low	Med

Notes: Govt = Government. CC = Community College. FB = Faith-based. NP = Non-profit.

Table B.1b Marian County Organizations

<b>URBAN COUNTY</b>	<b>DSS</b>	<b>Work Solutions</b>	<b>City Ministry</b>	<b>New Community Vision</b>
<b>Type</b>	Govt	FB NP	FB NP	FB NP
<b>Size</b>	Large	Med	Large	Med
<b>Funding Source</b>	Govt	Govt and Foundations	Govt and Foundations	Donations and Foundations
<b>Funding Change (since about 2000)</b>	Decrease	Stable	Stable	Stable
<b>Address Basic Needs?</b>	Yes	Yes	Yes	Yes
<b>Work-related Services?</b>	Yes	Yes	No	Yes
<b>Requirements</b>	Many	Many	Many	None
<b>Clientele</b>	County low- income	Able to work, community in general	City low-income	Low-income, community in general
<b>Strategies</b>	Pay for Performance for Work First  Work with other orgs, referral system	Respond to job market  Warehouse distribution center	Referral system  Documentation  Providing shelter	Community organizing
<b>Problems</b>	Meeting participation rates, work barriers for clients  paperwork	Work barriers for clients	Public perception homeless  Not enough housing  High demand	Challenging domination, hierarchy  City power structure and conservatism  High workload
<b>Embeddedness</b>	External – High Internal – High	External – High Internal – High	External – High Internal – High	External – High Internal – High



<b>URBAN COUNTY</b>	<b>DSS</b>	<b>Work Solutions</b>	<b>City Ministry</b>	<b>New Community Vision</b>
<b>Autonomy</b>	Low	High	Med-Low	High
<b>Level of Capacity</b>	High	High	High	High

Notes: Govt = Government. CC = Community College. FB = Faith-based. NP = Non-profit

## APPENDIX C. REFERRAL FLOW CHARTS

**Figure C1. Rural County Referral Flow Chart**

Clientele	First point of contact	Agencies referred to	
Most low-income clients:	DSS	Ü	Caswell Parish
		Ü	JobLink
Domestic Violence cases:	Family services	à	DSS
		à	County Parish
		à	Dept Housing
Some families:	SmartStart/Children Center	à	DSS
		à	Health Dept.
		à	CDOT
		à	Caswell Parish

NOTE: Ü indicates that in practice these referrals may not be made on a regular basis.

**Figure C2. Urban County Referral Flow Chart**

<b>Cientele</b>	<b>First point of contact</b>	<b>Agencies referred to</b>	
Many documented clients: needing basic services	DSS	à	City Ministry
			↓
		à	Salvation Army
		↑	
Work First clients:	DSS	à	Milton Ministry
		Ù	Work Solutions
		à	Goodwill
		à	ESC
		Ù	Work Solutions
		à	Vocational Rehab
		à	JobLink
		à	Churches
		à	Coop Extension

**Figure C2. Continued**

<b>Clientele</b>	<b>First point of contact</b>	<b>Agencies referred to</b>	
Undocumented residents:	International Faith Unity	à Churches	
		à Food pantries	
Looking for work experience:	Work Solutions	à DSS	
		à Family Services	
		à Salvation Army	
		à Churches	
		à City Ministry	
		à Shelter	
Homeless:	City Ministry	à Day Center	à Health Serve
			à DSS
			à City Ministry
		à Salvation Army	