

***Book Review:***  
**Saving Communities, Saving the Country**  
***Jacquelyn Yates***

**Thad Williamson, David Imbroscio and Gar Alperovitz, *Making a Place for Community: Local Democracy in a Global Era* (New York and London: Routledge, 2002) \$29.95**

Here is a book that will take the reader a very long way toward understanding the connections between troubling problems of local economies in the U.S. -- plant closings and economic decline—and the economic theories and governmental policies that contribute to them. Authors Thad Williamson, David Imbroscio and Gar Alperovitz lead the reader through economic theory and hundreds of concrete examples without ever using an equation or retreating into social science jargon. What is more, the authors propose moderate, gradual, and practical remedies that could be accomplished all at once or piecemeal.

The book opens with a challenge to the widespread assumption that the ups and downs of local economies don't matter as long as the national economy overall is prosperous and friendly to private enterprise. Instead, the authors see local economies as the very building blocks of democracy, "where diverse citizens join together in self-governance," where civil society can develop and where social capital is created. When local communities are shaken apart by excessive economic change, the result weakens the foundation of democracy, and for that reason, efforts to preserve and stabilize the economies of geographic localities are essential. They cite research showing that long-term residents of stable communities are more likely to vote, more likely to be involved in local groups and politics, more likely to have social trust and to create more inclusive governments with more equitable policies.

The beneficial impact of economic stability on democracy and civil society can best be seen when it is lacking, as in an economically blighted community, where people are so concerned with survival that they don't have time for participation, where turnover in schools is high and learning suffers, where young adults have to leave to find employment, where people don't have time to look after their homes and neighborhoods because they must travel long distances to find work, where neighbors move so often that no one knows names and routines, so homes become vulnerable to break-ins and vandalism. The fallout wastes individual and community capital when housing stocks depreciate because of economic weakness and community infrastructure is abandoned long before it is obsolete.

What is more, much economic instability at the community level arises from government policies that could be altered to mitigate the problems they create. For example, the decades of redlining denied federally insured mortgages in poor neighborhoods, and neoconservative trade policy opens investment opportunities abroad and allows profits from those investments to flow into tax havens, making the movement of jobs offshore an irresistible strategy for increasing profits. Not only is offshore labor cheaper for the company, but profits can be directed to offshore tax havens.

But if the authors skillfully show the problem, they also propose a remedy, or rather, a raft of remedies. Many of these are simply local economic development strategies. Employee buyouts are one approach, but there are others—public enterprises, public venture capital funds, governmentally owned corporations, community development financial institutions, targeted pension investments, community development corporations, local currencies, small-business incubators, community land trusts. Each type of organization is described with several working examples. The variety and extent of ongoing activity is remarkable. Descriptions in the text are supplemented with an indexed appendix of the organizations' contact information.

Remedies are also proposed for the national and international level, such as increased trade adjustment assistance, limited and negotiated protectionism, new roles for international financial institutions, and a tax on international currency speculation.

This is a vision of local communities with sufficient economic activity to comfortably support the local population. The authors' goal is not to freeze economic change, but to slow down harmful change and avoid the trauma of rapid and massive economic shifts, as when huge facilities are built or abandoned within the space of a few months, with devastating impact on the people living there and often at great expense to taxpayers. Helping communities develop strategies to buffer against swift and massive economic change, they argue, is not only compassionate, it is fundamental to strengthening democracy. OAW

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