Community development and economic development in rural areas increasingly go hand in hand. Today, a counterpoint to purely free market approaches to economic development—in which large multinationals are the primary engines of change—calls for more local decision-making and more locally based economic ventures. At the center of this new approach is strong community commitment to provide resources and information, overcome collective action problems, and improve the functioning of local labor markets.

Enhancing community agency, or the capacity for collective action, therefore plays a significant role in effective community and economic development. Communities must focus on development both in communities (job creation, infrastructure improvement) and of communities (enhancing local problem-solving capacities).

A New Role for the Community Developer

Central to this new model is a changed role for the community developer. The traditional way of “doing” community development was to focus on mobilizing local resources to address community needs, with a community developer bringing the technical skills needed to execute the plans. He or she formed grassroots organizations, mediated community conflicts, built infrastructure, attracted firms into the community, and wrote grants to fund services.

A catalytic community developer, in contrast, helps many individuals work together in a loosely coupled way. The role of the community developer is not to do the work or control the system but to help all participants take part in the process. Like a chemical catalyst that stimulates reactions without itself being consumed, the community developer focuses more on organizing the involvement and direction of community members and less on being the person who does the actual tasks.
Characteristics of Catalytic Community Development

Capacity-Building—Catalytic community development can be characterized by six features. The first is capacity-building, or the foundation that facilitates planning and the ability to implement those plans. Capacity-building is certainly not new in community development. What is new in this model is the much-expanded notion of capacity. Whereas leaders still need knowledge and organizational skills, they must learn to act within a much broader network of individuals and resources.

Empowerment—The second characteristic is empowerment. Effective capacity building requires participation by a more diverse set of residents. Mere attendance at meetings is not enough. Giving citizens an authentic voice in the decision making and the means to achieve goals is imperative. Empowerment also springs from local ownership of commercial enterprises, and community involvement to preserve this ownership can be critical to civic success.

Collaboration—The third characteristic of catalytic community development is collaboration. Collaboration is most important when problems exceed the capacity of one community development organization. Collaboration in a catalytic environment moves beyond merely communicating about activities and interests with other organizations to forming networks and cooperative relationships. Catalytic development demands new ways of making decisions and managing projects. It also produces formal structures that allow organizations to recognize and manage their interdependence. Finally, it involves the conscious attempt to create links between actions and actors with different interests. There is growing consensus that the diversity of these networks and the quality of interaction have independent effects on job growth.

Expanded Locus of Activity—In this same vein, communities must look beyond their immediate borders to regional development opportunities. Industrial clusters or transportation networks in a region; or “ruralplexes” of integrated networks of small communities with different specializations; or multi-community clusters that fuse competition with cooperation are all examples. In Wisconsin, for example, an integrated network of small communities includes a community with a university, another is the county seat of government, another is a retail center, and another has heavy industry.

Such regional cooperative opportunities can also foster local entrepreneurship as a complement to purely large-scale, market-driven forms of economic development. In these networked clusters, small firms with local ownership, regional trade associations, and local entrepreneurs are firmly integrated with local government, local churches, and social associations, forming potentially important though often neglected structures for community development.

Open Access to Information—Open access to information is the fifth characteristic of
catalytic community development. Often state and federal government, universities, and nonprofit organizations have invaluable information, but communities are unaware of it or have no access to it. More development is needed to make this information accessible to rural communities. Effective deployment of broadband technology is an important starting point.

**Comprehensive, Not Categorical**—Finally, the developmental activities must be comprehensive, not categorical; that is, not singularly focused on one category of spending or policy area. Progress or lack of it in one area (housing, for example) often affects other areas. Comprehensive community development might involve coalitions assembling flexible categorical programs within one collaborative structure so that the service provided is seamless.

These six characteristics are continually evolving and reorganizing. They are also interrelated. Although not an exhaustive list, it serves as a starting point in reimagining community development.

**Needed Policy Actions**

**Eliminate Categorical Funding**—Effective rural policy must work to stimulate catalytic development by first continuing to change the approach to funding categorical programs. Although block grants and similar funding streams are a positive step in program funding, more must be done. Disconnected activities remain, including efforts in transportation, health, education, and agricultural policies. Silos of funding dilute funds rather than effectively leveraging other assets to produce the desired results.

**Promote Broad Collaboration**

Policies must also support comprehensive, self-organized efforts to collaborate broadly. The Community Development Corporations (CDCs) and Community Action Agencies of the past were more successful than believed at the time, and these forms of collaboration are even better suited to the complex environment of today. Federal policies should support such grassroots, local efforts rather than creating new initiatives from the top down.

**Create Sustainable Funding**—Finally, policy should shift its focus from short-term grants for specific projects to more sustainable projects. Such sustainability is best achieved when it is community-based and community-driven, based on community knowledge and skills, and a realistic, collaborative process of assessment and planning.

Civic communities are best seen as problem-solving places in which residents come together in formal and informal associations to address common social and economic problems. Communities that have rich associational and organizational structures nurture civic engagement and are best able to meet the social and economic needs of all residents.