

1992

The Urban Crisis And The Federal Government's Retreat: Catalyzing Public Policy Choices To Save Our Cities

David R. Jones

Community Service Society of New York

Follow this and additional works at: <https://ir.lawnet.fordham.edu/ulj>



Part of the [Law and Politics Commons](#)

Recommended Citation

David R. Jones, *The Urban Crisis And The Federal Government's Retreat: Catalyzing Public Policy Choices To Save Our Cities*, 19 Fordham Urb. L.J. 665 (1992).

Available at: <https://ir.lawnet.fordham.edu/ulj/vol19/iss3/8>

This Article is brought to you for free and open access by FLASH: The Fordham Law Archive of Scholarship and History. It has been accepted for inclusion in Fordham Urban Law Journal by an authorized editor of FLASH: The Fordham Law Archive of Scholarship and History. For more information, please contact tmelnick@law.fordham.edu.

THE URBAN CRISIS AND THE FEDERAL GOVERNMENT'S RETREAT: CATALYZING PUBLIC POLICY CHOICES TO SAVE OUR CITIES

David R. Jones*

If cities are the matrices of our civilization, if our great ideas, our intellectual and moral consciousness comes from there, then woe and betide us if we have a national policy to let our cities become scenes from *Escape From New York* or *Blade Runner*, the city of dreadful night. You can't have a policy that lets cities decline, because in the decline of cities comes the decline of everything.

-Kevin Starr, University of Southern California¹

Walking the streets of my old Bedford-Stuyvesant, New York, neighborhood, you can see the palpable decline in the level of services, the condition of the housing stock, the number of homeless people, the idle adults and children. These impressions of people without hope are reinforced by horrific media accounts of child abuse, neglect and criminal acts that are senseless at best. They reflect the sad truth which New York City and other urban centers like it must face: the pervasiveness of poverty.

Not surprisingly, sections of our cities have been abandoned to a host of poverty-related social ills whose causes have as much to do with the state of the national and regional economies, structural changes in the job market, and political decision-making as they have to do with individual life-histories and personal misfortune.² The pervasiveness of today's social ills, their rapid escalation and concentration in urban areas and the failure of public officials to offer workable solutions, suggests that my old community is rapidly becoming a microcosm of the ills of the nation. This bleak outcome was not inevitable, and it can be reversed by understanding why faulty policy options were adopted and what it will take to formulate new policies. In addi-

* David R. Jones is president and CEO of the Community Service Society of New York. Former director of New York City's Youth Bureau, the author is a graduate of Wesleyan University and the Yale University School of Law.

1. Quoted in Peter Applebome, *Although Urban Blight Worsens, Most People Don't Feel Its Impact*, N.Y. TIMES, Jan. 28, 1991, at A20.

2. For an excellent discussion of the diverse origins of poverty, see DAVID T. ELLWOOD, *POOR SUPPORTS: POVERTY IN THE AMERICAN FAMILY* (1988).

tion, the lessons we have learned in New York City in fighting poverty may be usefully applied nationwide.

As this essay suggests, solutions to the decline of our cities will come only by marshaling economic forces differently, and by exercising alternative political and social choices. These in turn require mobilizing coalitions prepared to fight for a massive, nationally coordinated effort to end poverty and to rebuild urban America.

I. Defining the Dimensions of Poverty

The national and regional recession, the chronic lack of education and job training, the virtual disappearance of blue-collar entry-level jobs, the paucity of family supports for single female heads-of-households and the conscious decision by the federal government to abandon the inner cities have left more than one in four New Yorkers in poverty. The number of the city's poor and the rate of increase are accelerating by every indicator. The concentration of poverty in inner-city neighborhoods has also grown, stripping the poor of their political clout and leaving them unable to do much about it.

Children represent a particularly sympathetic population among the urban poor. In recent years, it has become increasingly clear that poverty among children is growing and shaping the future for New York City. Of all city children, 37.4 % are poor. The number of children under the age of eighteen living in poverty is increasing as well.³ This statistic differs significantly from the 19.9 % of the elderly population who are poor.

Public assistance grants, a convenient target for politicians nationwide, are themselves inadequate and not adjusted for inflation. Since 1976, when the public assistance grant in New York State was essentially frozen, and allowed for only minuscule subsequent increases, public assistance recipients lost forty percent of their buying power. While other federal programs such as supports for the elderly, have been indexed, payments for Aid to Families with Dependent Children ("AFDC")⁴ are locked at 1976 levels.⁵ For example, in New York City today, a parent and three children receiving a maximum annual AFDC grant live on an annual income that is more than \$5,100 below the federal poverty threshold, a level that is itself unreflective of the

3. COMMUNITY SERVICE SOCIETY OF NEW YORK, A CHARTBOOK OF POVERTY AND RELATED PROBLEMS IN NEW YORK CITY, Fig. 2 (1991) [hereinafter CHARTBOOK].

4. 42 U.S.C. § 602 (1988).

5. See PATRICIA SIMPSON, COMMUNITY SERVICE SOCIETY OF NEW YORK, LIVING IN POVERTY: COPING ON A WELFARE GRANT 9-10 (1990).

true costs of living in this expensive city.⁶

This misery should move some to question the conservative argument that poverty is self-generating and that the poor are to blame for their own condition. In fact, when other parts of the economy boomed in the 1980s, and the elderly were relatively secure, the very poor, and particularly poor children, were further impoverished.

Public schools were once thought to offer children a way out of poverty. Today, over forty percent of the city's public school students are from families on public assistance.⁷ The bulk of these youngsters are black, Asian or Latino. Test results in school districts with the highest percentages of poor children reveal the lowest levels of performance in reading and math.⁸ The majority of public-school children in Central Harlem and many other districts cannot read at grade level. Contrary to facile explanations linking underachievement with poverty or culture, such underachievement is due more likely to educational malfeasance.

The highest per capita expenditure on children's education is spent in middle class areas outside of the city — more than double that spent on the poor. Within the city, Staten Islanders receive substantially more per capita for their children's education than do residents of the South Bronx.

A report-in-progress by the Community Service Society of New York demonstrates that the quality and caliber of the teaching staffs assigned to poor children is dramatically inferior. Similarly, a RAND Corporation report⁹ shows a chronic national pattern indicating that inner-city children receive an inferior math and science curriculum, and that schools contain untrained instructors and inadequate materials. These reports should refute the notion that a "culture of poverty" is responsible for the lack of success of minority and poor children.

In every low-income New York City school district, less money is spent to help poor children than is spent on the children of more affluent New Yorkers.¹⁰ Even if the "culture of poverty" argument was cogent, it would make more sense to use funds to help overcome alleged cultural impediments than to withdraw resources.

6. The federal poverty line for a family of four in 1990 was \$13,360. See CHARTBOOK, *supra* note 3, at 1.

7. *Id.* at Fig. 4.

8. *Id.* at Fig. 5.

9. JEANNIE OAKES, *MULTIPLYING INEQUALITIES: THE EFFECTS OF RACE, SOCIAL CLASS, AND TRACKING ON OPPORTUNITIES TO LEARN MATHEMATICS AND SCIENCE* (1990).

10. See Nick Chiles, *Kids, Schools and Color*, in *PRISM: A PERIODIC REPORT ON RACE AND POLITICS IN NEW YORK CITY*, Vol. 1, No. 1 (July 1991).

Not surprisingly, the crisis in the education of the poor exists concurrently with a crisis in housing. Despite declining home mortgage rates, quality low-income housing is scarce, and the number of families living doubled up or in shelters is increasing. As of August 15, 1991, there were a total of 4,693 families living in emergency housing, an increase of forty-seven percent from June 1990.¹¹

Children suffer when families cannot find adequate shelter. From 1980 to 1990, the annual number of child-abuse and neglect reports nearly tripled, and the number of children placed in foster care doubled, reaching 44,900.¹² The deteriorating conditions and inappropriate placement of children in foster care, the lack of educational supports, the constant shuffling of these children to and from different homes, and the creation of a whole new class of people in poverty who earn their living by housing children in foster care means almost certain dependency for these youngsters.

Another problem facing the impoverished children of America's cities is poor health, which can be both a cause and a consequence of poverty. Health conditions for poor New Yorkers are deteriorating as poverty rates increase. After a dip in the mid-1980s, there was a dramatic increase in infant mortalities coupled with record high percentages of low-birthweight infants.¹³

An historical indicator of the link between poverty and health, tuberculosis, ("TB"), is presently recurring at an alarming pace. Although never eradicated — the highest level reached in recent years was in 1963 — TB was thought to be largely eliminated in the early part of this century. Incidence of TB in Harlem, Bedford-Stuyvesant and Fort Greene is increasing dramatically. Unlike the HIV illness, which can be cruelly written off as an outcome of practicing unsafe lifestyles, TB infection is directly linked to malnutrition and to the quality of living conditions in shelters, single-room occupancy dwellings (SROs) and prisons. TB is not an isolated health problem, but the ultimate infectious disease of the poor. Perhaps even more than AIDS, the rise of TB in our cities is emblematic of the problems of our times and the need for new social policies aimed at eliminating poverty.¹⁴

11. See CHARTBOOK, *supra* note 3, at Fig. 10.

12. *Id.* at Fig. 6.

13. *Id.* at Fig. 7.

14. Now that doctors, social workers and other professionals servicing the poor risk contracting TB, considerable attention is being drawn to the recurrence of the disease in New York. See, e.g., Janice Hopkins Tanne, *Q and A About TB*, N.Y. MAG., Mar. 23, 1992, at 30; *Tuberculosis: The Plague*, ECONOMIST, Mar. 21, 1992, at 28.

II. Identifying The Causes of Urban Decline

The principal burden for funding the programs we have proposed will fall upon the federal government. Caught between an inadequate and shrinking tax base and accelerating demands for public expenditures, the cities are not able to generate sufficient financing. Although there is much more that state governments can and should do, the taxing resources available at this level are far from adequate.¹⁵

Some argue that city problems are self-made. In his recent analysis of its current budget woes, the Manhattan Institute's Peter Salins argues that New York City has wholly within its own means the capacity to bring its budget into balance by dismantling the municipal welfare state.¹⁶ Salins argues that the city need simply reverse costly and ineffective public policy choices of the past years by doing away with precisely those programs that attempt to meet the needs of its most vulnerable citizens: low-income housing, foster care, AIDS services and the like.¹⁷

Salins' argument loses ground when faced with those actual public policy decisions that adversely affected urban America. While poverty has a variety of social and personal causes, the decline of our cities can be laid to two forces largely external to them: structural changes in the economy exacerbated by recession and severely flawed federal and state funding policies.

A. The Impact of a Failed Public Funding Policy

New York does not stand alone in its inability to provide resources to stem poverty. Philadelphia has teetered precariously on the brink of bankruptcy since the fall of 1990. Legislators in Harrisburg recently agreed to place Philadelphia's finances under the control of a newly created state authority similar to that instituted during New York City's 1975 fiscal crisis. In an even more desperate act, the mayor of Bridgeport, Connecticut, was so overwhelmed by the magnitude of her city's fiscal crisis that she attempted to do the unthinkable by taking the city into bankruptcy instead of cutting needed services. While the courts prevented Bridgeport's bankruptcy, the mayor's severe actions indicate the fatalism shared by much of our urban leadership. Hartford, Baltimore, Washington, DC, Newark, Camden, New

15. REPORT OF THE NATIONAL ADVISORY COMMISSION ON CIVIL DISORDERS (1968) (report of the Kerner Commission).

16. Peter Salins, *Jump Starting New York*, N.Y. TIMES MAG., Nov. 13, 1991, at 52.

17. *Id.* at 54.

Jersey, Detroit and a host of other cities also face the specter of fiscal stress which leads to severe social and economic problems.¹⁸ Far too many of today's cities are plagued by decaying infrastructures, lost jobs and high concentrations of unskilled, destitute populations.

Signs of decay have been widespread since the 1960s. Urban unrest in the 1960s increased the flight of mostly white, middle-income residents to nearby suburbs, leaving behind a large segment of the poor, racial and ethnic minorities, and the elderly. Consequently, as noted in a 1991 analysis by the National League of Cities, poverty is increasingly concentrated in urban centers.¹⁹ The report also states that over the last decade:

the central city's share of the nation's poor increased from thirty-seven to forty-three percent, or by six percentage points. The economic recovery of the 1980s had little effect on the incidence of poverty in central cities, and their share of the nation's poor increased as the national economy grew. Although the proportion of those in poverty in suburban areas increased . . . sharp disparities between central cities and suburbs in both rates and shares of poverty remained at the end of the decade.²⁰

Accompanying this phenomenon was the withdrawal of manufacturing and its associated industries from the urban core. The loss of blue collar, skilled and unskilled high-wage jobs in many of our largest cities assisted in concentrating unemployment and poverty in metropolitan areas. The growth of suburban populations and concentrations of poverty in cities foreshadowed the loss of urban political clout at the state and federal levels.

Today our cities are perceived by many to be vast wastelands, calling to mind high crime rates, large-scale unemployment and poverty, deteriorating housing and failing public-school systems. The perception of the inner city as a center of criminal activity has made cities and their residents suspect in the eyes of the wider American public, with large African-American and Latino populations falling victim to both isolated predators and the criminal justice system. Even for those suburbanites for whom the city has no negative connotation, it also holds no attraction, and its problems appear to be those of some-

18. David E. Rosenbaum, *States and Cities with Woes May Slow Rebound*, N.Y. TIMES, May 31, 1991, at A1; Michael deCourcy Hinds, *Strapped Big Cities Take Painful Steps*, N.Y. TIMES, Jan. 6, 1991, at 20; Michael deCourcy Hinds, *Its Cash and Tempers Short, Philadelphia Seeks Solvency*, N.Y. TIMES, Sept. 11, 1990, at A1.

19. LARRY C. LEDEBUR, NATIONAL LEAGUE OF CITIES, CITY FISCAL DISTRESS: STRUCTURAL, DEMOGRAPHIC AND INSTITUTIONAL CAUSES 10 (1991).

20. *Id.*

one else.²¹ This transition from productive commercial centers to consumers of scarce financial and other resources has weakened the competitive advantage cities once held over their rural and suburban counterparts.

Even the simple task of traveling within an urban center is daunting. Decaying roads, crumbling bridges and poorly maintained tunnels impede the movement of people, goods and services through the central city. The beltway, an invention of highway planning in the 1970s, allows traffic to bypass inner cities in many metropolitan areas. The physical remains of urban high-rise public housing stock is a constant reminder that the valiant efforts of the 1950s and 1960s to house low-income residents failed, at least in part.

Well-to-do residents who remain in the cities increasingly have withdrawn their support for those institutions and activities that promote a greater sense of community and the common good. Harvard economist Robert Reich calls this phenomenon the "secession of the successful," where affluent and highly trained Americans:

in effect withdraw their dollars from the support of public spaces shared by all and dedicate the savings to private spaces they share with [others like themselves]. As public parks and playgrounds deteriorate, there is a proliferation of private health clubs, golf clubs, tennis clubs, skating clubs, and every other type of recreational association in which costs are divided among members. So also with condominiums, cooperatives, and the omnipresent "residential communities" which dun their members in order to undertake efforts that financially strapped local governments can no longer afford to do well—maintaining private roadways, mending sidewalks, pruning trees, repairing streetlights, cleaning swimming pools and paying for a lifeguard, and notably, hiring security guards to protect life and property.²²

In general, cities are left to bear a greater proportion of their state's, and thus the nation's, social and economic problems. Now having to do far more with much less, cities are sinking under the combined weight of this disproportionate burden.

B. The Effects of a Changing Economy

The nature and extent of changes in the economy of the United

21. See, e.g., William Glaberson, *For Many in the New York Region, the City is Ignored and Irrelevant*, N.Y. TIMES, Jan. 2, 1992, at A1.

22. ROBERT REICH, *THE WORK OF NATIONS: PREPARING OURSELVES FOR 21ST CENTURY CAPITALISM* 268-69 (1991).

States has been much discussed and well-documented elsewhere.²³ For the purposes of this essay, it is sufficient to note that the shift away from industrially-based to service-based economies in the big cities has left far too many inner-city residents behind. Either they are underemployed, i.e., consigned to low-wage, dead-end jobs that perpetuate their poverty,²⁴ or they cannot find mainstream employment at all. Moreover, many residents are still faced with discriminatory hiring practices. Studies conducted by the Community Service Society in the middle and late 1980s detailing labor market segmentation in New York City's public and private sectors revealed that African Americans and Latinos were confined to low-wage jobs in a narrow range of occupations.²⁵

Underemployment and discrimination are not the only disadvantages which have resulted from the changing economy. As a final consequence, the city itself has been left with a declining tax base and a subsequent inability to meet basic service responsibilities.

C. The Federal Retreat

A less readily discussed but equally compelling cause of today's urban crisis is the federal government's near total abdication of responsibility for the nation's social problems. During the 1980s, the federal government pursued a policy of domestic disinvestment. Beginning with the elimination of federal revenue-sharing in the late 1970s, federal withdrawal escalated under President Reagan's "New Federalism." Intergovernmental aid was restructured to the disadvantage of urban centers by decreasing the amount of unrestricted revenue-sharing funds previously available to cities to use at their discretion.²⁶

The federal government's share of total local resources peaked at nine percent in 1978. By 1986, that figure had plummeted to 4.2 percent. Much of this decline can be attributed to the Reagan administration's elimination of general revenue-sharing in 1986. Federal aid to local governments declined by 5.9 percent and 4.4 percent in 1986

23. See BARRY BLUESTONE & BENNETT HARRISON, *THE DEINDUSTRIALIZATION OF AMERICA* (1985); WILLIAM JULIUS WILSON, *THE TRULY DISADVANTAGED: THE INNER CITY, THE UNDERCLASS, AND PUBLIC POLICY* ch. 2 (1987).

24. Given the official poverty line of \$13,360 in 1990 for a family of four, a full-time job paying \$5 per hour to a lone breadwinner would give the family a gross income of only \$10,400, nearly \$2,000 below the official definition of poverty.

25. WALTER STAFFORD, *COMMUNITY SERVICE SOCIETY OF NEW YORK, CLOSED LABOR MARKETS: UNDERREPRESENTATION OF BLACKS, HISPANICS, AND WOMEN IN NEW YORK CITY'S CORE INDUSTRIES AND JOBS* (1985).

26. See generally TIMOTHY CONLAN, *NEW FEDERALISM: INTERGOVERNMENTAL REFORM FROM NIXON TO REAGAN* (The Brookings Institution 1988).

and 1987 respectively.²⁷ This compares unfavorably to 1973 when there was a 73.7 percent *increase* in local revenues from federal sources.²⁸ This dramatic retraction of federal dollars, combined with a long-lasting recession and declining tax revenues, forced states and municipalities to strain under the burden of a severe budget crisis.

Cities and counties are struggling to provide services far beyond the traditional housekeeping functions of law enforcement, fire protection, public works, sanitation and education. The booming 1980s only masked negative social trends. During the '80s, cities and states filled the void left by the federal government's retreat. In New York City, for example, nearly 57,000 jobs were created, many of which provided important human services.²⁹ The city undertook an ambitious program to address the growing homeless problem. Today, in the wash of a recession, the city's ability to provide these services is compromised.

The retrenchment of federal government support has put additional pressures on state governments to provide aid for distressed cities. Reagan's legacy of "localizing" aid comes at the expense of state treasuries at a time when state governments are facing tremendous budget deficits. In 1975, the state share of local government revenue stood at thirty-two percent. Twelve years later, that share had declined to twenty-nine percent in spite of rising demands from local government.³⁰

It is estimated that more than half of the states will confront deficits during the current recession.³¹ The unstable situation at the state level wreaks havoc upon cities that depend upon state aid to fund city programs and provide needed services. State governments have also emulated the federal government in their treatment of municipalities. Like Washington, states have placed additional pressures on cities through the imposition of costly mandates. In most states, no additional federal funding accompanies the mandates. There is a growing "no pay, no mandate" movement among state legislators and civic

27. See LEDEBUR, *supra* note 19, at 11.

28. Among other things, this dramatic difference can be attributed to the practice of revenue-sharing discussed previously. See *supra* note 26.

29. See Financial Plan, City of New York, Fiscal Years 1992-96, Vol. 1, at 1-7 (Office of Management and Budget).

30. Executive Budget, City of New York, Fiscal Year 1976 (Office of Management and Budget); Executive Budget, City of New York, Fiscal Year 1988 (Office of Management and Budget).

31. See Michael Specter, *The New Domestic Tug-of-War*, WASH. POST NAT'L WEEKLY EDITION, Apr. 8-14, 1991.

leaders forcing state governments to assume some degree of financial responsibility for their mandates.

This waterfall effect of pushing the fiscal burden downward has weighed most heavily upon cities. During the past decade, many state legislatures allowed municipalities greater discretion in using taxes to raise needed revenue. Since 1980, the share of local revenues coming from local resources has increased. In 1980, the local share stood at slightly above sixty percent. At the beginning of President Reagan's second term, the local share had increased to sixty-six percent. By the time Reagan was preparing to leave office, the local share had risen to sixty-seven percent.³²

This increase in local support was made possible by an increase in locally generated revenues and not simply a response to cutbacks in federal aid. The National League of Cities' Larry Ledebur says that "[d]uring this period, local governments were significantly increasing the revenues they derived from their own sources. Between 1979 and 1987, locally generated revenues increased by 84.4 percent."³³ The result has been that cities now are restricted in initiating prospective taxes. With a disenchanted public persuaded that taxes, not low wages or declining public services, are the chief social villain, elected officials are choosing to cut services further rather than face angry voters.

New York City has been under tremendous pressure due to the changes in intergovernmental support over the last decade. In Fiscal Year 1974-1975, federal categorical grants represented 18.52 percent of city revenue. In that same year, state categorical grants represented 27.75 percent of New York City revenue in FY 74-75. The share of local revenue from unrestricted aid (federal revenue-sharing and state revenue-sharing) was 6.09 percent.

This contrasts significantly with Fiscal Year 1991. Federal categorical grants represented 9.79 percent of total revenue, down by almost fifty percent from FY 74-75. State categorical grants made up 20.2 percent of revenue in 1991, an almost thirty percent reduction. The share of local revenue drawn from unrestricted aid stood at only 2.4 percent. In 1974-1975, federal and state aid represented 52.4 percent of total New York City revenue. That figure stood at only 32.5 percent in fiscal year 1991.³⁴

32. See LEDEBUR, *supra* note 19, at 14.

33. *Id.* at 15.

34. Executive Budget, City of New York, Fiscal Year 1975 (Office of Management and Budget); Executive Budget, City of New York, Fiscal Year 1991 (Office of Management and Budget).

There is also a sense that some states and cities are paying more than their fair share of federal taxes and receiving little in return. This is particularly true in the case of New York State. In 1991, Senator Daniel Patrick Moynihan of New York released a report detailing the relationship between New York State and federal government expenditures since 1977. One of the highlights of the report is the description of the balance of payments between the state and the federal government. Moynihan examines the matter of equity in terms of federal taxes paid and federal outlays received. In his report, Moynihan indicates that New York State ranked sixth among states in taxes paid, at \$5,096 per capita, in Fiscal Year 1990. In terms of federal outlays, New York ranked twenty-first, receiving only \$3,918 per capita. New York State thus had a negative balance of payment of \$1,178 per capita.³⁵

D. The Impact of Federal Disinvestment

The magnitude and implications of federal disinvestment are best seen by examining specific areas that underwent significant reductions. Education may be the most frightening example. Federal support for elementary and secondary education dropped by a third in the 1980s.³⁶ Aid to higher education was cut as well. Guaranteed Student Loans were pared by thirteen percent while tuition rose twenty-six percent on average.³⁷ Funding for Head Start, one of the most enduring and effective anti-poverty programs, shrank so significantly by 1989 that only one in five poor three- and four-year-olds could participate. This is a particularly egregious public policy because the program costs a mere \$4,000 per child and has demonstrable and long-lasting positive effects on the life chances of poor youngsters.³⁸

Another key area of federal abandonment is in housing assistance. This category has been cut by over two-thirds, from more than \$24 billion in 1981 to only \$8 billion in 1988.³⁹ Perhaps the starkest evidence of skewed federal priorities is the inversion the country experienced between 1980 and 1987 in which federal expenditures for human resources declined from twenty-eight percent to just twenty-two percent of federal outlays, while defense spending spiraled up-

35. SEN. DANIEL PATRICK MOYNIHAN, REFLECTIONS AT FIFTEEN: NEW YORK STATE AND THE FEDERAL FISC: XV (July 28, 1991).

36. See REICH, *supra* note 22, at 256.

37. *Id.* at 257-58. This average includes both public and private universities.

38. *Id.* at 257.

39. KEVIN PHILLIPS, THE POLITICS OF RICH AND POOR 251 (1990).

ward from twenty-three to twenty-eight percent.⁴⁰

III. The Need for Proactive Solutions

A. A "Marshall Plan" for Cities

There are those, such as Michigan Congressman John Conyers, who call for a "Marshall Plan" to save the cities. Conyers has taken the lead in organizing an urban caucus in Congress to address the needs of our nation's cities. The Michigan representative has also sponsored legislation to create new mechanisms that would facilitate the delivery of federal aid to our cities.⁴¹

Some mayors are also fighting back. New York City Mayor David Dinkins has been instrumental in forging a coalition of urban mayors to lobby Congress and the White House for increased federal aid. Last year Dinkins convened an "urban summit" for the purpose of developing a comprehensive agenda for cities.⁴²

At a follow-up meeting in Washington, D.C. during the spring of 1991, thirty-five mayors joined members of Congress and agreed to work for a nine billion dollar anti-recession package of federal programs to aid America's cities.⁴³ Among other things, components included emergency anti-recession funding for urban centers; improvement of national infrastructure and transportation programs; and increase in funding for the Administration's Head Start program in the form of a three billion dollar urban school-aid bill. This unified effort by America's leaders signals a positive change with regard to federal aid for urban centers.

B. Politics as a Mechanism for Change

Budget crises do not only affect city residents and their governments. There are thousands of non-profit agencies which contract with cities and states for the provision of community-based services. In times of budgetary stress, the dollars funding such services are all too often offered up first in the gap-closing frenzy.

A coalition of those most affected by the cuts can get results. The urban poor, their non-profit social service agency advocates, labor unions representing both municipal workers devastated by fiscal cut-

40. *Id.* at 87.

41. H.R. 3601, 102nd Cong., 1st Sess. (1991).

42. See Jack Sirica, *Dinkins Kicks Off Lobbying for Cities*, N.Y. NEWSDAY, May 16, 1991, at 132; Terence J. Kivlan, *Dinkins Goes to Feds for Help*, STATEN ISLAND ADVOCATE, May 16, 1991, at 3.

43. See *Urban Summit Mayors Receive Pledges of Support for America's Cities from Congressional Leaders*, URBAN SUMMIT PRESS RELEASE, May 16, 1991.

backs and private sector employees reeling from the recession, can foster change by voicing their concerns through an organized lobby. In addition, traditional civil rights, ethnic and human rights organizations, and even sympathetic business groups, can be effective in bringing about new policies.

Greater levels of political pressure need to be placed on elected officials at all levels of government. As the late political scientist Harold Laswell said, politics is the mechanism by which we determine "who gets what, when, how."⁴⁴ Political decisionmaking is about how we choose to allocate society's resources, benefits and sanctions—what Laswell referred to as the formation of "influence."

The current budget politics of New York City and State amply demonstrate Laswell's point. For the past two fiscal years, both the state and the city have wrestled with massive budget deficits. However, the range of deficit reduction possibilities under serious discussion in Albany and City Hall remained unrealistically narrow. "Gap-closing" plans offered by both the governor and the mayor rely disproportionately on service reductions and eliminations. Revenue enhancement, the favored euphemism for new taxes, is a dirty phrase. Simply put, the poor and their allies have little influence, so it is easier politically to shift the burden for deficit reduction on those least able to withstand it because they appear least able to resist it. Given today's anti-government, conservative climate, politicians know that taxes levied to sustain or renew investments in human needs are anathema with voters,⁴⁵ or at least with the majority of those voting in local elections.

If the decline of our cities is not part of a "natural history" but the result of poor planning and mistaken policies, then changed policies can yield different results. It is beyond the purview of this paper to sketch a blueprint for political change, but tentative comments can be offered. A major obstacle toward making politicians responsive to constituent needs is the large number of citizens unregistered to vote. Political scientists have argued persuasively that conservative political domination in the 1980s was based not on a genuine realignment of political forces, or on voter apathy, but on the legal impediments "progressive" coalitions face when mobilizing their constituencies to vote.⁴⁶ Streamlining voter registration would itself significantly open up the political process to disadvantaged constituencies.

44. HAROLD D. LASWELL, *POLITICS: WHO GETS WHAT, WHEN, HOW?* (1936).

45. Witness the case of New Jersey Governor Jim Florio as he attempted to reshuffle resources around the state.

46. *See generally* RICHARD CLOWARD & FRANCIS FOX PIVEN, *WHY AMERICANS*

What is required is a shift in the political balance. Public officials who purport to represent vulnerable urban constituencies need to feel enough heat generated from previously weaker interests to force them to consider alternative policy decisions. Consequently, in the grand old American log-rolling tradition, they can put pressure on their counterparts to win back some of the policy losses from which we are now suffering.

C. The Role of Nonprofit Social Agencies

Community service organizations and other nonprofit agencies can help move this political agenda, but because of their nonprofit status⁴⁷ they must do so cautiously. These traditional charities have a rich history of softening the impact of social, political and economic forces on society's weakest and most disenfranchised citizens. Their "good works" deepen the concept of the commonweal and provide a means for expressing a commitment by thousands of volunteers and professionals towards doing something tangible to end another citizen's misery.

There are a number of non-partisan political activities in which community service organizations can be involved, at little or no cost, to make their presence felt in the political process. Voter registration and "get-out-the-vote" efforts in their communities, direct and grassroots lobbying efforts and the formation of issue-based, non-partisan coalitions are useful, workable and necessary adjuncts to these organizations' traditional direct service and research components.

Such activities also aid in mobilizing the politically "locked out" with a number of salutary results. As more residents become active politically, the normal political calculus of local elections is upset. Further, new community-based leadership emerges out of this heightened political activity, shaking entrenched and less-responsive leaders out of their lethargy. Most directly, community mobilizations reinforce accountability of public officials—the basis on which popular

DON'T VOTE (1988). See also THOMAS FERGUSON & JOEL ROGERS, *THE DECLINE OF THE DEMOCRATS AND THE FUTURE OF AMERICAN POLITICS* (1986).

47. Exemptions from tax on income and tax deductibility of contributions to nonprofit agencies are granted under § 501(c)(3) of the Internal Revenue Code, which creates a strong public subsidy for their charitable missions and programs. See I.R.C. § 501(c)(3) (1988). Because of this tax subsidy, such organizations are prohibited from engaging in *partisan* political activities such as attempts to support one candidate over another in a given election. While there is no prohibition against direct or grassroots lobbying by 501(c)(3) organizations, this activity is subject to some regulation. For example, organizations planning to engage in lobbying may only allocate a limited portion of their budgets to lobbying efforts.

sovereignty is predicated. At bottom, increased voter activism serves notice that more diverse community interests expect to be "at the table" when deals are cut.

Clients of community service organizations and the larger constituencies of these organizations benefit greatly from successful, well-planned lobbying efforts. The essential message sent by a lobbyist is that the politician has something at stake and that it is in the official's interest to respond creatively to constituent needs. While nonprofit organizations cannot, and should not, be advocates of particular parties or candidates, they can play an enormous role in framing the ideological issues of the day, creating a rational level of discourse on which societal needs can be met and helping citizens mobilize to exercise influence in meeting those needs.

