

Investing in What Works for America's Communities Transcript
December 3, 2012
Author Recognition

SCOTT TURNER: Yes, welcome to probably one of the few events in Washington where we're not discussing the fiscal cliff today [laughter], or hopefully not too much. Yes, we're here to discuss the book, as everyone heard, "Investing in What Works for America's Communities: Essays on People, Place and Purpose."

As Sandy mentioned, the book was a collaboration between David Erickson, who is in my group at the San Francisco Fed, and he oversees the Center for Community Development Investments, and Nancy's presidency over the Low Income Investment Fund and just really proud of what the two of them achieved with this book. And Sandy was talking about her long career. I think at the end of my career, I'm going to look back and think the smartest thing I ever did was hire David Erickson [laughter] and bring him into the Fed. And so I just want to embarrass him and just thank him publicly for the contributions he made, not only to our organization, but really to the whole field.

I also want to acknowledge Nancy and David's two contributing editors -- so, Ian Galloway -- where are you, Ian? Wave or something, or did he leave the room? Anyway, Ian Galloway is on David's staff, and besides editing -- helping to edit the book, he co-authored David's chapter and really helped all along the way. And the other contributing editor is Ellen Seidman. You'll hear from her later. Everyone knows Ellen [laughter]. Ellen -- oh, there you are, Ellen. Ellen -- we had the good fortune to have Ellen with us last winter as a visiting scholar, which was -- which was a lot of fun. But also, while she was there, Ellen did a masterful job of synthesizing over two dozen essays -- the first 350 pages of the books. So, thank you for that, Ellen. And then finally, I just want to offer my own gratitude to the more than 40 different

authors that submitted essays on the past, the present and the future of our field. Obviously, there would be no book without all of them as well.

So, David, Nancy and the sponsor of the book -- Nancy received a generous contribution from the Citi Foundation, so David, Nancy and Pam Flaherty will up in just a minute. They're going to talk about the origins of the book and a few of its themes and really set the stage before the first panel.

Before they come up, I just want to say a couple things about the book itself and then point you to the agenda so you know where we're headed this afternoon.

So, the book traces the evolution of poverty in America as well as the origins of the community development field that grew up, in fits and starts, to try and address the myriad challenges that came from poverty.

As I mentioned, it draws on an impressive number, but a very impressive list of authors. They come from policy, they come from practice, and they also come from academia. We're fortunate to have a number of those authors here in the room with us today, which is great. But each of those authors really brought fresh ideas on how to address the challenges of disadvantaged communities in this country. Ultimately, the book maps out a plan for moving ahead and tries to envision what the 21st century model for community development should look like. I'll point out that it needs to be driven by data, that it has to be accountable with -- in a sense, it's built in, so you actually achieve the outcomes you're trying to achieve. It has to be both comprehensive and collaborative. It definitely has to be flexible. And finally, it needs to involve the strategic deployment of capital, and enough capital to really achieve scale. Now, that makes it sound like Nancy and David think they found all the answers. And believe me, they don't think that. They really, I believe, think this book is a starting point for an honest and, I presume this

afternoon, a spirited discussion about what everyone thinks the field needs to do to really move forward.

So, as Sandy said, the reason we brought everyone to this event is to really -- to start to dig deep into the book and debate the conclusions that are in the book. And then ultimately, to hear from all of you about what you think needs to be done to really transform this field.

So, as I mentioned, we're going to start hearing briefly from Nancy, David and Pam Flaherty.

Then, if you look in the agenda, the afternoon is divided into four different panels. The first panel is focused on, what is the current policy landscape. The second panel is focused on what programs are actually working out there now that we can look to. The third panel digs into the kinds of systems changes that we believe need to be implemented in order to move forward. And then, the concluding panel this afternoon focuses on, how do we ultimately invest in the things that we think work.

So, we really think it's a great program. Each of the panels are comprised of both authors and other practitioners and policy experts. So, it should be a really great conversation.

And then lastly, I just want to acknowledge the important partnership we've had with the Board of Governors on putting on this event. I want to thank Sandy for her overall leadership. I want to thank Joseph for his help. Joseph also agreed to provide concluding remarks. And the remarkable thing is, this is his first day back at work. He has a new baby at home. So be sure and congratulate him on that. I also want to thank David Kaufmann and Marysol McGee. They've been planning partners on this event all along. And to thank all the staff here helping to manage and film this event. We're really grateful for your -- for your help.

So, thanks for coming. We're really looking forward to a robust conversation all afternoon. As you've already heard, there's plenty of time for discussion after each panel. And we

can -- we hope we can continue the conversation at the reception. The reception's going to be down the hall. And the gods have shined on us, and it looks we're going to have a beautiful evening to have a glass of wine on the terrace. So, we do hope you can all stay for the reception as well. So, I think this has probably been enough buildup. Why don't we bring up Nancy Andrews, David Erickson and Pam Flaherty. Thank you so much.

[Applause]

DAVID ERICKSON: Thank you, Scott. Thanks so much. I want -- you know, it was a situation where you often don't -- you're doing your day job, and it's not like you have a lot of time to sort of actually get something like this out, and Scott was so gracious in giving me and my whole staff a lot of time to -- sort of some leeway to make the book happen from our side of the house, and so I really want to thank him for that. And I just want to be just -- real quick, this is -- if you have a chance, there's copies out front. This is the second edition of the book. So we're very impressed.

Is it different?

ERICKSON: Yeah, it's slightly different, actually. For the collectors in the room [laughter], this is a slightly different version. And I won't tell you what changed, but it's -- you know, it's a -- we printed up 5,000 copies. We thought it'd be a year's supply. We ran out in three weeks. You know, the traffic on the website has been unbelievable. I think we've had over 10,000 hits, and it's just -- it's really sparking a lot of conversations, and I'm so glad to have you all here to talk about it. I want to just say a couple things, and then I'm going to hand the microphone over to Nancy. But one is sort of a little bit of the origins of the book, and it kind of came, a little bit, from -- out of some frustration and some excellent. And in a way, that was sort of the role that Nancy and I played throughout the process, where I was sort of the bad cop and

she was the good cop. And I would often say, look, you know, we've been working in community development for 40 years, and we still have poverty at this unacceptably high rate, and we've got even things that we were really focused on, like affordable housing, we still have the HUD worst-case needs assessment at about the same rate as it was in the 1970s. And so it was a real -- coming out of a real frustration about, we needed a breakthrough. We couldn't have things, as Pam says, you know, business as usual. We needed a breakthrough. And Nancy said, well, why are you so pessimistic about -- you know, there are all these exciting things. You think about the work that Jack Shonkoff, who is here today, his work in early childhood development and how there are sort of these points in time where you can make interventions in a kid's life that really increases their life chances. And so, there was some -- so it was really sort of from those frustrations and from that excitement that we decided to kind of bring together as many people as we could to have it all collected in one place, to sort of say, okay, what do we know, what are some good ideas, and where can we go from here? Now, I think Sandy had said we'd been working on this for years. Interestingly enough, I think once Citi and LIIF cooked up this idea and pitched it to us, I think it was about -- from that moment until we had printed books in our hands, it was 18 months. And I don't -- I've never seen anything like that before, and I've edited many collections of essays. And I just -- and I just think -- and I would like that -- I wish that Nancy and I could take credit for that, but the reality is, is that when 40 different authors were participating, and I was bracing for some less-than-perfect drafts coming in to start, the first one came in from Ingrid Gould Ellen, and it read like -- with such precision and elegance, it was like a poem. And every single essay after that was the same, and it was just fantastic work from all of the authors, that they were able to contribute such high-quality work right off the bat. And this is not their day job either, and so it was really -- that's what made it possible, was those 40

people, who -- it was a labor of love for them, and they really put their back into it, and I just can't thank them enough. And so, I'd like us all to thank them now. So, if you were an author, or if you were on the advisory committee that helped us work on the book, would you please stand now? Don't make me call you out.

[Applause]

All right, and I just want to also -- chance to -- get a chance to thank my partner in crime, Nancy Andrews, who has an ability to -- the scope and scale of her knowledge around community development and anti-poverty work is mind-blowing. I mean, she can talk to you about credit enhancement sort of -- you know, the most technical deal-structuring imaginable, and then turn around and start talking to you about how this particular aspect or approach to community development reminds her of an idea from particle physics. And I just sit there and just scratch my head and think, how in the world is she able to do that? I mean, just been an enormously helpful intellectual partner, and I'm really grateful that we got a chance to work on this together. And with that, I'll give the microphone to Nancy.

NANCY ANDREWS: Oh, God, David, you just outed me [laughter]. Well, thanks, everyone. It's such a -- it's very rewarding to be here and to see everybody participate in this meeting today. And I'm sure all of you also know there is a public meeting that will be happening -- this is a closed meeting, but there is a public meeting that will be happening tomorrow at Union Station celebrating the launch of this book as well. What I wanted to do is sort of bridge between David and Pam and first just say that it has been such a pleasure to work with the Federal Reserve, both the Fed here in Washington as well as the San Francisco Fed. This kind of work that is encapsulated in the book really could not have been possible but for a partner like the Fed. And Sandy, if she's still here -- Joseph, David, Ian, Scott Turner -- all of you

guys. I just -- I want you to know that you have created a place within community development where we really have a chance to think, to create, to develop new ideas. And I don't know of another forum that we have that gives us that opportunity. So, you give us the chance to kind of lift our eyes up and imagine and envision the future. And you've believed in this movement all the way along for many, many years. So, I would just ask if the audience would please just spend a minute with a -- with a round of applause for the Federal Reserve.

[Applause]

And then now, I'm going to give -- I'm going to introduce Pam Flaherty and give her a chance to say a word, but one of the themes -- as I introduce Pam, one of the themes that pops up in a lot of the pages of the book is the theme of partnership, of collaboration, of collaborative networks. And all of us that are involved in the field know that partners come in all different shapes, sizes, with all different strengths and attributes. There's some partners that give you money and invest in you. There's some partners that give you wisdom and give you ideas. And there's some partners that give you voice and help you with influence. And I can say that Pam and the Citi Foundation does all three of those. And so, Pam, this project really wouldn't have happened without, not only the support of Citi, but the personal support of you and your staff. So, thank you very, very much, and I -- it's my -- it's an honor for me to be able to welcome you to this group.

[Applause]

PAM FLAHERTY: One of the great privileges of being a funder is that you get to meet these fantastic people, spend time with them and listen to new ideas and try to drive things forward. And Nancy and LIIF are at the top of our list. And whenever she's coming to New York, everybody wants to be in the meeting to hear from Nancy, to hear -- and to really talk, not

just about LIIF and how wonderful our support is, etcetera, but to really get at big ideas. And I was in one of those meetings with my colleague, Brandee McHale, whom I should say, many of you know and was deeply -- also deeply involved in this project. She's in the Philippines right now. So, in one of those visits, they were having this philosophical discussion, and they -- and the question to Nancy was, well, who else is thinking about these big thoughts about community development? And there was a little discussion, and finally, I think it was Brandee, but I'm not sure, said, Nancy, you should write a book, or you should write a paper. And Nancy said, oh, no, not me, no, no, no, no, no. So, she goes off -- this is our version. She probably has another version. This is like the question to your spouse -- how did you meet your husband or wife, you know, and they have two different answers? So, Nancy comes back and says, well, I had this idea, and I think I'm going to gather a few dozen of my closest friends in the community development world, and we're going to write this paper. And 28 chapters later, and all of this work emerged with something that is truly, truly extraordinary. And it's totally typical of Nancy that we started with a small, modest idea about, how about a paper on community development, and then she creates this much broader idea. And then, she seeks out the perfect partner at the San Francisco Fed to help make it a reality. So, I will have to say that I'm sure we would have read the book if you'd written the whole thing yourself, Nancy, or if we had not funded it. But we're thrilled to be associated, and we think it's really important. So, both to the San Francisco Fed, to the Fed, to Nancy, thank you very much.

[Applause]