

Chapter 8

Anchor Organizations Embedded in Communities: The Case of Centers for New Horizons

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ABSTRACT

Anchor organizations are typically, but not exclusively, not-for-profit organizations that are based in a city or town and are unlikely to move because their mission is intrinsically bound up in that area. The author has worked for non-profit-organizations embedded in residential communities. The communities may benefit from their relationship with the non-profit. Some non-profits and communities have a beneficial relationship. The author will review a nonprofit that has aligned its core functions to improve the socioeconomic conditions of the community where it is based. The analysis will be with Centers for New Horizons, a 52-year-old nonprofit located in the Bronzeville section of Chicago.

INTRODUCTION

Charitable, educational, and religious organizations are thousands of years old and some in the United States were founded in colonial times. The concept of “nonprofit organizations” as a unified and coherent “sector” dates back only to the 1970s. Over 90 percent of nonprofit organizations currently in existence were created since 1950 (Renz, 2010).

Anchor institutions are enduring organizations that are rooted in their localities. It is difficult for them to leave their surroundings even amid substantial capital flight. The challenge to a growing movement is to encourage these stable local assets to harness their resources to address critical issues such as education, economic opportunity, and health. It is difficult to imagine fragile local economies and widening social disparities changing without leveraging stable institutions, especially amidst a decline in government resources. These dynamics have given rise to the concept “anchors” as agents of community and economic development.

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The City of Chicago is made up of neighborhoods and communities. In the 1920s, the Social Science Research Committee at the University of Chicago defined the community areas based on neighborhoods or groups of related neighborhoods within the city. The development of the system was led by sociologists Robert E. Park, and Ernest Burgess developed a system of naming the various communities that comprise Chicago. They developed 77 community areas that have become a part of the culture of Chicago.

The Economic Innovation Group (2016) analyzed community well-being across the United States. The report states:

Place matters. This simple concept has never been better understood than it is today. The American Dream is predicated on the idea that anyone from any place or background can climb to the highest rungs of the economic ladder. But there is a growing body of evidence that the more time an individual spends living in a distressed community—especially at childhood—the worse that individual’s lifetime chances of achieving economic stability or success. And not all poor neighborhoods are alike, some offer vastly better chances of economic mobility than others. (Economic Innovation Group, 2016, p. 4)

The Economic Innovation Group identified geographic areas across the United States with significant dimension of distress and of basic community well-being. The analysis finds that for those living in distressed zip codes, the years of overall U.S. economic recovery have looked much more like an ongoing downturn. Large swathes of country are being left behind by economic growth and change. The phenomenon is taking place at many different scales: well-being diverges between cities and states but even more starkly within cities and at the neighborhood level.

The authors go on to report that while the features of distressed communities differ across regions, the following seven indicators of community well-being apply: (1) No High School Degree; (2) Housing Vacancy Rate; (3) Adults Not Working; (4) Poverty Rate; (5) Median Income Rate; (6) Change in Employment; and (7) Change in Establishments remaining open or closed.

The criteria of acknowledging geographic areas as distressed is a potent harbinger of community well-being or lack thereof. Chicago, Illinois, is listed as one of ten cities with the largest number of people living in distressed zip codes. A common feature unites this concentration of distress. The common feature is that the distress is caused by a struggle to transition from an economy based on legacy industries (often manufacturing) to a more advanced, knowledge-based one.

Harvard economist Raj Chetty says that, for white Americans, achieving the American dream is like climbing an income ladder. “If you’ve climbed up in one generation, that’s basically where you’re going to start the next generation, and then you can climb up further.” But for Black Americans, and Black men in particular, “it’s like being on a treadmill, where even after you’ve climbed up in one generation, there are tremendous structural forces that make it highly likely you’re going to fall back down in the next generation and then you have to make the climb again” (Chetty, Friedman, Hendren, Jones, & Porter, 2018).

Over the past few years, the Harvard professor has received nationwide attention for his work on economic mobility in the United States. He and his colleagues created a map called the Opportunity Atlas, which uses census data and income tax returns to measure Americans’ economic mobility over time in any given part of the country.

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