



National Rural Funders Collaborative conference: May 30-June 1, 2006  
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[www.community-wealth.org](http://www.community-wealth.org)

Founded in 2001, the National Rural Funders Collaborative involves an effort by a group ten year goals are to build the field of rural practice, policy and philanthropy and to leverage more than \$100 million in new or untapped resources to support and strengthen rural communities and families facing persistent poverty. Between May 30 and June 1, the group held a gathering of funders, academics, and practitioners to assess the progress of the collaborative at the halfway point of its 10-year effort. Jim Richardson, head of the National Rural Funders Collaborative, introduced the goals of the conference, which included developing new forms of leadership in community development, and supporting family and community wealth development and creation in rural America.

The conference included both breakout sessions and four plenary addresses. The first of these plenary addresses was delivered by Eloise Cobell, who is CEO of Native American CDC and is a Blackfoot Indian activist who led a lawsuit against the federal government for mismanagement of tribal trust funds. With regard to the lawsuit, Cobell noted that, "Enron is a shoplifting case compared to the BIA [Bureau of Indian Affairs]." In terms of the work of her CDC, she noted some of the group's work, which involved such things as small business development, building a new grocery store, and providing credit counseling for home mortgages. The CDC also had a job-training center. When Katrina hit, the tribe was able to send over 500 people on busloads to help with post-hurricane recovery in New Orleans.

Michael Sherraden of Washington University in St. Louis gave a academic perspective on the state of rural America, "The old way of doing business is running to a dead end," Sherraden noted. "The old ways of thinking are not working. We know what these have been: conquer nature, plant mono-crops, extract resources, exploit labor, pollute. It is questionable if these practices are viable even in the long run. We have to do business in a different way."

Sherraden noted that rural America is often shrouded in myth. For instance, rural America is often imagined as white, even though, "Rural America has always had people of color."

Part of the solution to the problems facing rural America, Sherraden suggested, is to get "farm subsidies" right: they should be called rural subsidies. You need basic health infrastructure in rural America. Some Delta communities only got running water in the 1990s. You need leadership—leadership of people of color.

The United States spends \$25 billion a year on agricultural subsidies. We need some other forms of agriculture than mono-cropping; we can subsidies for smaller, specialty crops. We need to

support alternative fuels such as ethanol, bio-fuels, and wind. Internet connectivity to rural America is key.. We need to “think in ways that are different and sustainable in the long run.” David Dotson, CEO of MDC, a community development funder in North Carolina, discussed the interconnection in wealth building that exists between education, work, and assets. “With no skills, there is no income. The road out of poverty runs through the school house,” Dotson said, because, “Educated people refuse to be poor.

Dotson stressed the vital role played by community colleges because “that’s where the low-income people of color are” and because they connect education and work. Dotson also stressed the importance of programs such as individual development accounts, which can serve as bridges that assist an individual to, for instance, to save enough to buy a decent car that allows that person to travel far enough to get a better job.

Lastly, Dotson stressed the importance of leadership. “You need boundary-crossing leadership with skills and knowledge to bridge the racial fault line. Otherwise, you have squandered opportunities, finger-pointing. These are the costs of not cooperating.”

“[But] the American dream can thrive,” Dotson insisted, “when philanthropy supports deft organizations that link work, education, and wealth.”

The final plenary speaker was Karl Stauber, CEO of the Northwest Areas Foundation of St. Paul, Minnesota. Stauber noted that, “Our foundation aims to build local and regional economies; about 75 percent of our grants go to rural communities.” Stauber noted that “Government programs tend to focus on disadvantaged communities, but [mostly for] those that have the social capital to make use of them. It is a form of institutional racism: working with those who are easiest to work with.” Foundations, Stauber emphasized, must resist this temptation.

Stauber also discussed a community his foundation had worked with in Miner County, South Dakota. In the 1990s, high school kids studied the local economy and identified three strategies that could help turn their community around: 1) shifting from commodities to value added; 2) focusing a portion of local education on the local economy, and 3) buying locally.

There was a lot of resistance to change, but over time attitudes have changed, new leadership has come to the fore, and there has been considerable success. A wind turbine repair center brought in 15 living wage employees. A local organic and kosher-certified slaughterhouse was able to cut a deal with Major League Baseball food distribution system. And over the past eight years, the “buy local” push has led to a 64% increase in local sales. To date, the population decline has slowed, although it has not been reversed. Still, the local downtowns in the area are starting to rebuild.

*For additional information on the conference, including audio tapes of the presentations of the speakers featured in this article, please visit the National Rural Funders Collaborative website at <http://www.nrfc.org>.*