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SUSTAINING CHANGE IN A MARKET ECONOMY  
COMMUNITY, CREATIVITY,  
AND TRANSFORMATION

wildflowers institute

SUSTAINING CHANGE IN A MARKET ECONOMY:  
**Community, Creativity, and Transformation**

by Hanmin Liu, Wildflowers Institute



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## EXECUTIVE SUMMARY

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Since 1980, tens of thousands of immigrants from across the world have moved to the San Francisco Bay Area to join an existing community or to build a new one. Their stories affirm the community as an adaptive living system, the unit of change. By observing these communities, we have made important discoveries about how communities actually work—within themselves, in relation to the marketplace, and in relation to government and nonprofit organizations. Our conclusions provide important challenges to conventional philanthropic, academic, and political assumptions about how best to sustain communities and change making. The institute’s sociocultural framework and toolbox give community leaders and other practitioners concrete means for understanding and effecting social change.

Section 1 of this paper reframes the approach to change making. We discuss why conventional philanthropy falls short and why understanding the community is essential to change making. Section 2 describes what we have learned about how the community innately works. It highlights the importance of informal capital and discovering the informal leaders who are the backbone of development. It offers a framework and tools for seeing how people and organizations are organized. It uncovers the underlying values, beliefs, and purposes that motivate people to do what they do. And it presents different activities that contribute to the functioning of the community as a complex adaptive system. Section 3 gives extended case studies of how three communities—the Lao Lu Mien, the Red Wolf Band, and the Tenderloin—are adapting and growing. Section 4 offers thoughts on what must be done next to strengthen the innate capacities of communities to adapt and grow.

In short, this paper builds on decades of work with Lao Lu Mien, Ethiopians, Latinos/Hispanics, Chinese, and Filipinos, as well as Blacks, Whites, and indigenous peoples from North, Central, and South America. In contrast to traditional “outside-in” approaches to community work, our findings suggest the efficacy of working from the “inside-out”—a process of knowing what works and amplifying its impact. This approach benefits both immigrant communities and the dominant American culture in ways that genuinely affirm the aspiration *e pluribus unum*.

## A NOTE OF DEEP APPRECIATION

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## SECTION 1: REFRAMING THE APPROACH TO CHANGE MAKING

Over the past decades, Wildflowers Institute has been studying and developing a social framework and approach to one of the most significant shortcomings of the market economy. Despite the many social changes that governments and philanthropy have addressed, one of their persistent challenges is how to develop enduring and sustainable solutions to economic and social disparities. We are also experiencing today strong headwinds generated from within our nation and created by the marketplace, technological developments, and political priorities. The market is being untethered by the government, and our republic cannot create the necessary conditions to take on local challenges. The nation is at a loss when it comes to helping immigrants and refugees flourish in our democracy. Technological innovation is gradually replacing the labor force, and data-driven algorithms are emerging as the new gatekeepers of national and global systems. Race relations are in turmoil and indicative of a wounded society. Income disparities remain high.

The convergence of these macro forces is outsizing participatory democracy and stifling local cultures. Under this state of affairs, low-income communities are vulnerable. We are concerned that there may be greater civil unrest within communities as the social health and the fabric of the community become weakened. What are at stake are our democracy and the collective intelligence that have been developing for several centuries.

The institute and its fellows started in 1999 to observe and document how communities actually work in the United States and abroad. We view the community as a group of interdependent people growing or living together in specific habitats. We have learned from immigrant, refugee, indigenous, and racial communities how they make change and improve the commons. Over many decades, we have had meaningful conversations with young people, parents, and elders, with professional and informal groups, with different nationalities and cultures, and with LGBTQ communities. We assert with confidence that communities that have well-organized social formations are adapting and sustaining in the twenty-first century.

This paper shares our quest to understand a genuine approach to change making coming from within low-income communities and to address the social and economic inequities of the market economy. The findings from our work reveal a very different way for philanthropy, academic institutions, and local governments to do their work in the twenty-first century. What we learned is that sustainable social change is generated and maintained by informal groups over many generations. How the relationships of these groups are structured and the personal character and moral development of those involved make all the difference. We also witnessed the powerful will of communities to regenerate and heal. Viewing the community through its own lens has given us a deeper understanding of and insights into the community as an adaptive system. As such, to make change requires a very different mind-set and skill set. Our experience tells us that solutions to economic and social disparities exist and that we need to see and understand what works and build from there. Instead of introducing a well-conceived plan from the outside-in, funding organizations and local governments might be even more effective if they strengthen local resources and assets. But we must undertake more research, prototypes, and practice to verify our observations and to advance inside-out approaches within communities.

## Why Conventional Change Making Falls Short

The conventional approach for social change making is to introduce a well-informed plan to 501(c)(3) and (c)(4) organizations. Philanthropy makes use of its funds primarily to build organizational capacity, introduce innovation in the “government system,” and give to charity. It supports nonprofits, schools, academic institutions, and other entities in order to develop new programs that will improve the lives of people. With good intentions, funders dedicate massive amounts of finance and human resources to introduce such programs into communities. But despite the many social changes that helping organizations have addressed, the conventional approach has not reduced inequalities. Most of these interventions come from someone or some institution outside the community that has little or no understanding of the community’s aspirations or its innate social structures. Innovation from the “outside-in” fails because funders, even those up to date on best practices, have such a hard time realizing sustainable change in their funding portfolio. One of philanthropy’s principle strategies for sustaining new programs is to have the public sector adopt them. But this strategy is now in question, given the likely possibility of reduced government funding of community needs.

The conventional outside-in approach does not improve the social order and functioning of the community. Instead, the approach inadvertently sets up competition among nonprofit organizations that breaks down trust and disrupts social structures. It leads to intense conflicts, a rupture in relationships. The outside-in approach also weakens the participatory democratic process so essential for self-organized groups to muster the will to solve their own problems. This situation is dangerous especially in low-income communities that primarily rely on cooperation and trust to manage their day-to-day affairs. It took centuries to develop the collective intelligence that weaves the fabric of a community, and a great deal of experience and common sense went into knowing how best to function in changing times. Communities have developed time-tested democratic values and participatory practices that work. But once a social fabric is torn, it can never be the same again. And while necessary improvements must be introduced to communities, the challenge that most helping institutions face today is knowing how to embed their knowledge in such a way that the communities themselves understand, own, and sustain change.

These unintended consequences offer clues as to why philanthropy has not made a bigger social impact on the acute inequities in a market economy, even though it is dedicated to providing risk capital to improve the quality of life of those in hardship. The main reason for this failure is the framework that philanthropy is using for social development. This framework, the blueprint for reducing social and economic inequities worldwide, focuses on innovation by organizations—nonprofit, private, and public institutions—but not on understanding the natural life cycle of development and dynamics of the community at large. The conventional framework does not recognize the community as a living system that regenerates and is resilient. It does not understand how a community adapts and grows, and it does not see the importance of purposes, motivation, and the resolve of groups to learn, heal, and “up their game.” It does not strengthen the social formations and the trust between and among families, clans, cultural and spiritual groups, and informal and formal associations in the community. And it does not improve the natural functioning of an adaptive system.

Four key assumptions animate conventional change making: (1) nonprofit organizations are viewed as the only legitimate change agents; (2) subject-area experts know best

what needs to be done; (3) philanthropy and governments rely on national and state-wide databases to assess community needs, progress, and outcomes; and (4) investments should be made in best practices that apply throughout the nation. These assumptions are the reasons why we have failed at transformative impact. In most low-income communities, vulnerable groups are off the radar and invisible to data collection sources. It is primarily the informal associations and groups that are most involved and closely connected to making change in the community and not the non-profit organizations. Subject-area experts have little or no understanding of the community's ecosystem, its process of development, and the dynamics of different groups. Any national, state, or local effort to introduce best practices will fail because the local conditions are different and what works in one community may not work in another.

I served on the W. K. Kellogg Foundation Board of Trustees for twenty years and retired in 2016. It was this experience that helped me see different approaches to change making, but I must admit that we struggled with how best to realize Mr. Kellogg's community aspirations throughout my tenure. My experience at Kellogg also gave me exposure to other national and international philanthropies. I came to see how widespread their conventional approaches really are and how they fail to make sustainable change.

### **Why Understanding Community Is Essential to Change Making**

Local conditions, power dynamics, and an understanding of them, or lack thereof, can make or break a project. It is always important to be up to date on best practices and follow the advice of subject-matter experts, but street-level knowledge of what is going on in that place is essential. We have all seen failed attempts to adapt intact models from one region or community to another. Context matters, and the devil is in the details. It is all too easy to be blindsided and make mistakes without a deep understanding of things such as who is really in charge and respected, who works behind the scenes, where political or family battle lines are drawn, and how past experiences and history have shaped the locals' worldview and priorities. These realizations broaden our view and go beyond the formal institutions to the informal ways things get done in a community.

In organizations and neighborhoods everywhere, there is the official hierarchy that offers a public explanation of how things are supposed to work. But as you get to know a place better, you come to see a secondary web of relationships and power dynamics that is hard to detect from the outside. There are unspoken priorities, processes that can be circumvented, traditional ways that haven't changed, and, at times, the need for a certain person's blessing. This secondary web is how things really get done on a day-to-day basis—something a good "insider" learns in order to operate effectively within this system of social structures. Understanding a community involves being an active resident for many years and developing insider knowledge.

As we got deeper and deeper into the community, our observations shifted from seeing individuals and their organizations to viewing the cycles of development and the dynamics of informal groups and organizations. We came to realize that we should be looking at what is changing and how different groups and informal associations are involved in change. We also shifted our attention to understanding what motivates people to do what they do. We are especially interested in learning from those people who are not motivated by financial incentives or on an organization's payroll. We are also not focused on those individuals who are seeking public recognition for their self-esteem. Instead, we seek groups that contribute to the commons because of their moral

character and because of their love, devotion, and service to others. Observing in real time and documenting how such groups make change happen became our guiding light.

In his 2017 book, *The Limits of the Market: The Pendulum Between Government and Market*, Paul De Grauwe brings our attention to the fact that the market has brought many countries out of poverty. He acknowledges that the market economy has caused excessive inequalities, a greater degree of self-interest, and the overvaluation of profit. De Grauwe highlights the importance of balancing markets and governments but also the difficulty of doing so. One example of inequality is neighborhood development in low-income communities. Local resident leaders are often at odds with public-private partnerships driven by outsiders and motivated by market principles. Because these partnerships have greater financial resources and political influence, the power dynamic between the two is unequal. This is further complicated by a community's natural cycle of development, which takes four to seven generations of local leaders and families living together. From generation to generation, the community builds its spiritual and cultural centers, its human capital, its service institutions, its local economy, its social infrastructure, and a culture that unites and guides everyone toward a common purpose, resolving differences and working cooperatively.<sup>2</sup> Over and over again, we have witnessed market-oriented public-private partnerships unintentionally undermining this cycle of development and thus the self-sustainability of the community.

Driven by access to finances and by profit motives, developers take three to five years to build a new complex in the neighborhood. Unless developers have a deep understanding of the local history and the real-time culture of the community, and have reflected these purposes, values, and beliefs in the structures and spaces they build, any new development they create will attract higher-income newcomers with different cultural preferences. Over time, the demographics of the neighborhood shifts, leading to changes in the culture and the capacity to work cooperatively. Outsiders move into the neighborhood to live and provide new services that generally do not serve the locals and are not adopted by them.

So what happens to a community when its natural cycle of development is broken? Individualism, consumption, and competition become increasingly popular. The social fabric of families and the community erodes. The small nonprofit grassroots organizations and small businesses that are often the most effective in helping residents do not receive the support and attention they deserve; eventually, they become weakened and close their operations. Larger resident-based nonprofit organizations compete with one another for funding. They are constrained by funding agreements requiring them to work beyond their own neighborhood and are driven by revenue necessities. The community eventually becomes divided by differences in values and beliefs and unable to overcome these differences, at which point it loses its sustaining power. The neighborhood implodes and becomes gentrified. Among the ethnic and racial communities in San Francisco, the only one that is still intact after four generations is Chinatown.<sup>3</sup> The Black and Japanese communities in the Western Addition, the Latino and Mexican community in the Mission, and the Irish community in South of Market have all been redeveloped and gentrified.

But if we harken back to Justice Louis Brandeis and John Dewey, we see that it is the community that balances markets and governments. During the Great Depression, Brandeis



put forward the notion of communities as laboratories of democracy. The community has the most at stake in maintaining a dynamic balance. It is in the community's best interest to adapt to local conditions. The community is large enough and has more resources than the family unit. In contrast, private and nonprofit institutions primarily serve their own organizational self-interests. Public institutions work with the nation's best interests in mind but do not have the nimbleness and flexibility to make on-the-ground impact and course corrections.

Elinor Ostrom was awarded the Nobel Memorial Prize in Economic Sciences in 2009 for her work in illuminating the informal governance structures of communities where detailed contracts and legal frameworks do not exist. Her findings revealed the importance of the community at large having ownership of its natural resources. She brought out the necessity of a community-driven democratic structure to own, govern, and manage its resources. She pointed out the need for clearly defined boundaries, trust among resource users, enforcement of rules evolved over time, and effective practices for dealing with disagreements and conflicts. Moreover, her research revealed that a person's willingness to nourish and maintain natural resources should be proportional to the benefits she or he derives from them. Her work shined a light on how the community addresses inequalities, self-interests, and the overvaluation of profits caused by the market economy.

Ostrom's findings point to the importance of local communities being self-sustaining. While the power of the market force is significantly strong, the collective voice of the community has enormous political power. Moreover, this voice is deeply rooted in the values of the American people. Communities in America have been the bedrock of democracy. They hold a collective memory of the past, which informs their members about how to make things work in the present and serves as the foundation for collective action. We all know that people exercise habits of sharing, problem-solving, and doing things together. People pass these "habits of social functions"<sup>4</sup> down from generation to generation, thus strengthening democratic governance and the collective will to make things happen. Social habits of participatory democracy are an important resource in America. There are few places in the world where the culture and habitual practices are so deeply rooted in this democratic spirit. And it is this spirit, integrated within the cultures of different traditions and nations, that makes our nation so uniquely creative.

The community at large is the unit of change when it comes to balancing the market force and the government. Community members need the resolve to be self-sustaining over many generations. Local and state governments must develop policies that support local ownership and governance of community resources and that nurture and advance the lifeblood and spirit of the community. Already in place are unofficial community leaders who dedicate themselves to the good of the commons. They and their informal associations and groups should have access to financial, architectural, and legal support so that they can develop spiritual and cultural sanctuaries, neighborhood schools, libraries, health centers, parks, and small businesses. Unlike the market, the community has a generative power, a collective will, a moral direction, and a time-tested social formation that does not depend on funds to make things happen for the good of others. Funders and local governments must strengthen these resources and assets to help communities improve themselves from generation to generation.

## SECTION 2: THE BUILDING BLOCKS OF THE COMMUNITY

In this section, we offer a basic understanding of the community—why it is as it is and why it is important in the twenty-first century. We describe five building blocks of a community and how we discovered them. These building blocks, which are essential to the community’s adaptation, growth, and sustainability, are as follows:

1. **Informal capital**
2. **Informal leaders**
3. **Social formations**
4. **Culture: Purposes, values, and beliefs**
5. **Functioning as a complex adaptive system**

To learn about a community, we observe, document, and gather information, and then make sense of what we see from the “other’s” perspective. We flow with the energy of different groups and discern their natural habitats. In this way, we discover how such self-organized groups function and how the local environment nurtures their development. We build models of the community to learn about its culture. We videotape our sessions and interviews with community groups and have a library of over 2,100 hours of video material. We take still photos of people and their activities and social spaces and maintain a library of over 85,000 photos and 120 video clips. The findings from our work serve as mirrors that we hold up to community members to engage in thoughtful discussions with them about their community and the direction they can take to renew themselves. These discussions often lead to reflections on how they are organized, what is important to them, and how they can make course corrections and improvements in their relationships.

In our early years of working with communities, we made assumptions about what we saw that we thought were true. These assumptions shaped the direction of our work. But our interpretations proved to be biased in favor of our reality and values. The first thing we have to do when we start to work in a community is to clear our minds of expectations. For example, when we entered a community with a purpose in mind, we would identify a social problem, seek out the informal leaders, and offer our help. We would develop an agreed-upon plan based on our discussions. We assumed the leaders would carry out the responsibilities on their end and we would do the same on ours. But we learned that these assumptions about what project to work on and how to carry out the responsibilities weren’t quite right. We didn’t take into account the community’s priorities, and we expected things to get done more efficiently than they were.

Every community has its own ways of working together and ironing out differences. It takes more time for informal leaders to explore proposals and discuss a plan of action. Unlike institutional leaders who have the mandate and authority to mobilize their staff, informal leaders inspire others and state the case for why they should devote their time and energy to new projects and why now. Another difference is that institutional staff is paid and people inspired by informal leaders are not. This realization that insiders and outsiders operate differently forced us to look within ourselves, to make conscious our intent and assumptions, and to ensure that they did not shape our understanding of what we think we see and hear. We also had to think carefully about how we start our work. Instead of entering a neighborhood with a mission, a direction, and a plan, we enter to observe and learn from local residents and to flow with the energy.

We use the snowball sampling method of sociologists to learn about the community. For example, on a site visit in Chichicaxtepec village, Oaxaca, Mexico, we observed over five days a group of women coming together to prepare meals and more generally to make things happen. They are the backbone of how things work in their



community. They meet to support one another, problem-solve, and implement change. We also attended many formal meetings with the leaders of this indigenous village, but the projects they presented to us didn't seem to advance the well-being of the village. Formal leaders spent most of the time describing existing programs. But in several informal conversations with the women, we learned about their sugges-

tion that the village should undertake a tilapia aquaculture project so that their children would have sufficient protein during winter and spring. This issue of hunger and how to deal with it never came up in the formal meetings. But the women had heard through the grapevine about a nearby village that developed an aquaculture farm to improve the diet of its children and elders. The photo above shows informal women leaders making tamales at daybreak, October 7, 2008.

### Informal Capital

The first building block of a community is formed by experience of what works and is sustainable. Although communities differ by race, ethnicity, and gender preferences, in truth they have much in common. Their quiet customs, traditions of collective problem solving, and informal ways of organizing are what we call the "informal capital" of a community. Informal capital makes things happen. It is an intrinsic and invisible wealth that accumulates over time and brings about decision making and collective action in thoughtful and effective ways for the commons. Informal capital is not dependent on financial or material assets; instead it stems from our natural inclination to help one another and from the experiences and relationships involved in achieving something for the benefit of all. The community organizes local talent and resources to achieve meaningful results. Informal capital mends relationships and strengthens connectedness within families, among friends, and between individuals throughout. It is an economy based on a social order of relationships. For example, the first responders to natural disasters tend to be the residents. After the hurricanes in New Orleans, Texas, and the Caribbean and the fires in the Napa Valley and Sonoma County, California, the residents stepped forward, organized quickly, and took personal risks to help others. Firefighters, police, paramedics, and neighbors knew one another and how to work together in the community. Thus, they were better equipped to confront a natural disaster. The impulse to sacrifice and help others is inexhaustible, and communities depend on it. The challenge, for all of us, is to see the informal capital—to see what is actually working—and support it as the people in communities strive toward confronting their challenges and achieving their dream.

(For additional information, see *In Search of the Informal Capital of Community*, 2011, at <http://wildflowers.org/research-papers/>.)

## Informal Leaders

The second community building block consists of the people responsible for the social order and weaving the fabric of the community at large. It is oftentimes the circles of elders, spiritual and cultural leaders, women's circles, and caring and trusted people who suggest social improvements. We walk the streets, sit on park benches, stand on corners, spend time in cafés, and join in on public activities and festivals to identify such individuals. We strike up conversations with local residents. We meet with local stakeholders. We participate in local activities because they lead us to the people who are really in charge. We look for the people and structures that cluster together, are generative and healing, and sustain what works over time. We observe whom others informally gather around, especially during free time and event preparation when people are more likely to be themselves. We keep track of their choices to be with certain people and to do certain things with them. We see where eyes go in the room, to whom people look when important matters are being discussed.

Unlike officially identified leaders who are the apparent spokespeople—those who gain attention by their titles, their prominence, or their aura—unofficial leaders, or “informal” leaders as we have come to call them, are very different. Informal leaders are modest and humble in demeanor as they quietly make change. Because of their understanding of community dynamics, they go unnoticed and do not attract attention to themselves. An informal leader is:

- a longtime resident who sometimes comes from a line of leaders;
- motivated because she or he really cares about others and wants to see positive change for itself and not for monetary or personal gain;
- viewed as having a high moral standing;
- good at building a strong network and is given authority to lead because of the confidence and trust people have in her or him;
- involved in projects that are communally significant rather than of singular concern to particular individuals or cadres;
- an organizer and participant in ongoing socially connected activities who knows what kinds of gifts, talents, and resources are at hand;
- motivated from the heart and is willing to make personal sacrifices for others; and
- oftentimes invisible to outsiders.

Heeding the call of their ancestors, informal leaders make up the moral core. Once we meet the informal leaders and explain our interest in learning about how they organize their community, they almost always agree to introduce us to others and to help us see how their structure works. They authentically care and are committed and connected. Through building relationships with them, we are invited to see what changes they have brought about for the good of the community as a whole and how they are organized to make good things happen for others.

## Social Formations

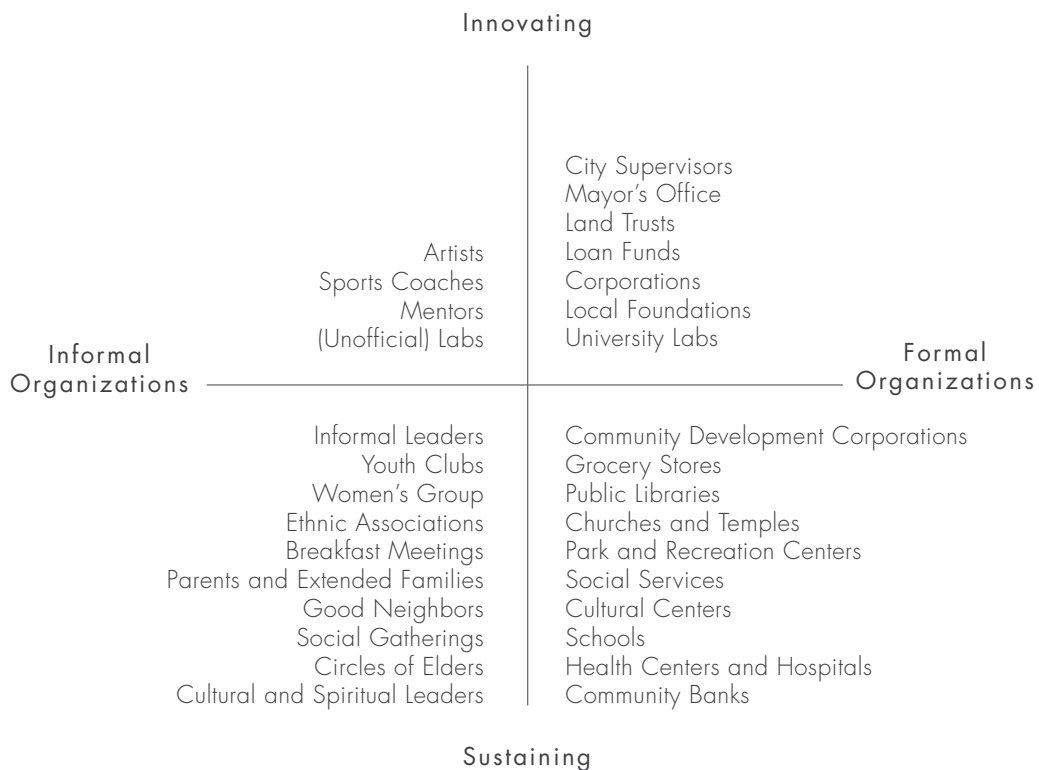
The third community building block is the social formations of groups and organizations that informal leaders rely on for community development. The power to make change

depends on how informal groups and organizations are organized within and among themselves for the good of others. The more experience they have in working together over many generations, the more effective they are in understanding one another, in sharing a common purpose, and in dealing with their differences in such a way that the social fabric of families and communities is not torn.

We learned that community dynamics is generated by people and informal groups that look to sustain what works and by others who choose to initiate something new. Interactions between the two lead to change. Some prefer to look to the past for guidance and a connection to it. Others enjoy making a difference in the world. In our studies of the community, we also learned about how they are organized to make change. Some prefer to work in formal organizations according to the law of the land while others choose to organize in a more informal and cooperative manner.

When we charted groups and organizations in an x- and y-axis graph, we saw more clearly how their daily activities reflected their purposes and organizing preferences, as shown in the illustration below. For example, informal leaders, youth clubs, women’s groups, ethnic associations, breakfast meetings, parents and extended-family gatherings, and so on in the lower left quadrant all have in common informal organizational structures and a desire for continuing relationships and past practices and for being rooted in their community’s history.

A MAP OF PEOPLE AND ORGANIZATIONS ARRANGED BY PURPOSES AND ORGANIZING PREFERENCES



Artists, sports coaches, mentors, and unofficial labs independently establish formative spaces to develop an idea, to advance someone's potential, or to create (upper left quadrant). They also organize in informal ways, but what they all aspire to is initiating and developing something new. They act on their own but share the common purpose of discovery and betterment of self and others. All of them are involved in emerging projects, some focused on individuals, others on groups, and still others on new inventions. Academic mentors and sports coaches help young people and adults develop their knowledge, skills, and abilities. Informal labs create something new. For example, when Steve Jobs and Steve Wozniak got together and developed the prototype of an Apple computer in Jobs's garage, no one knew that their undertaking would turn into a global corporation. Alone and together Jobs and Wozniak created a formative and developmental space for themselves and others.

City departments, land trusts, loan funds, corporations, and local foundations (upper right quadrant) are organized around the law of the land and all work together in some way to make a difference in the community. Independently and together, they function as incubators. Community development corporations, grocery stores, public libraries, churches and temples, park and recreation centers, social services, cultural centers, and so on (lower right quadrant) are also governed by the law of the land.

We developed a method to see the power and impact of informal groups and to probe deeper into their social architecture, that is, how they are structured. When we enter a community, we photo-document people attending meetings, ceremonies, and celebrations, and these photos help us identify over time certain people in their groups. Each group is structured differently. In some groups there is a leadership hierarchy and in others there is none. The responsibilities of members differ from group to group. How individuals are invited into the group also varies.

### *The Social Architecture of Informal Groups*

We have identified four different social architectures in the communities we work in. The first, located in the San Francisco Bay Area, is that of the Lao lu Mien Central Council members and district leaders. They are selected by the members of their district. The photo below shows the leaders in a line formation. What is important to



note in this kind of formation are the assumptions underlying the leaders' relationships with one another and with the community. In this photo, the district leaders are kneeling and standing and the Central Council members are standing to the right and left of the

group. While the Central Council has more responsibility, it places the district leaders in the center of its work. What is also important to note is that line formations imply a direct relationship between district leaders and community members.

We found a second social architecture for bringing different groups together in Chichicaxtepec, the indigenous Mixe community in the sacred mountains of Oaxaca, Mexico, mentioned earlier in this paper. The photo below shows a group in a court yard, a



social space in the village, where informal leaders met with Kellogg Foundation trustees and staff, July 29, 2008. Many of the village leaders were sitting at their place when we arrived. Among the six people sitting with their backs to the yellow casa, four were informal (men) leaders. They were elected by village members to serve as community leaders for several years. The other two individuals were Kellogg consultants

who did the advance work to set up this four-day site visit. Opposite them and to their right were the informal (women) leaders. To the left of the men leaders were people from the Kellogg Foundation sitting more casually. We learned later on that the women leaders facing the Kellogg guests took responsibility for arranging and implementing the entire site visit. The women leaders seem to serve as long as they were asked to do so.

A third social architecture is the circle of trust organized by the Ethiopians in the Bay Area. The circles are for a lifetime. Each circle designates a convener and a financial record keeper. An informal association of elders is elected by the community to mediate conflicts and tensions. Ethiopians form insurance circles to cover the cost of their funerals and to help with the ceremony. One of the most important ceremonies in a person's life, the funeral ceremony is the pathway to the spiritual world and must be carried out very carefully. The Ethiopians also set up loan circles among friends for small-business development. They routinely get together with neighbors and hold coffee circles (Bunna ceremonies) to start the day, as shown in the photo on the left, taken in San Jose, California, May 7, 2011.



A fourth social architecture is an organizing meeting where ideas are charted on a whiteboard. This structure is reflected in an informal coalition meeting of Tenderloin



residents, who came together to discuss a shared vision for the quality of life in the neighborhood. There were no seating assignments, so residents sat with others whom they felt comfortable sitting next to. The photo on the left shows four

groups organized in their own circles. The five people sitting at the table in the front are mostly resident artists. The people sitting near the man standing and wearing a black shirt are concerned about the rights of the homeless. Eleven Chinese elders make up the group farthest back, near the window. On the left, the two individuals sitting at a table (one is wearing glasses and scratching his head) are connected to University of California, Hastings College of the Law. Members of each group know one another and have been together for many years.

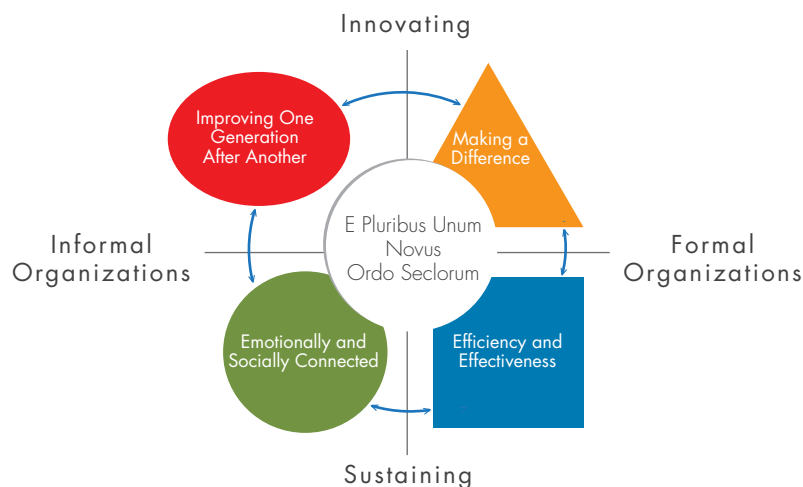
## Culture: Purposes, Values, and Beliefs

The fourth community building block is culture. Culture is “superorganic,” a term first used by Professor Alfred Kroeber at the University of California, Berkeley, Department of Anthropology.<sup>5</sup> That is to say, culture emerges from experience and provides the narrative that guides living systems to know where to begin to deal with differences, how to reconcile tensions, and how to maintain unity.<sup>6</sup> For example, many Chinese dialects are spoken in Chinatown, so it is almost impossible for speakers of different dialects to communicate with one another. Long-standing political and emotional tensions pit residents, shopkeepers, and associations who favor the People’s Republic of China against those who favor the Republic of China (Taiwan). At any time during the year, you can tell the political wind by looking up at the rooftops of family, county, and province associations and seeing which flag they fly.

But what keeps the community intact and working in the same direction is the culture of the community. It is being socially and emotionally connected that keeps family and friends together for a lifetime. It is the drive to improve one generation after another that motivates coaches, mentors, and many more to help others. Making a difference in the world propels entrepreneurs to innovate. And being effective and efficient with one’s time and energy prevails in the service sector. But what holds all the different groups and organizations together is a respect for others. Their nonconfrontational approach to addressing differences has maintained relationships and resolved conflicts (*e pluribus unum*). These narratives have helped different groups in San Francisco Chinatown form a shared identity, shape a new social order (*novus ordo seclorum*), and help navigate toward common purposes and aspirations, their higher purpose. See the illustration below showing the culture of a community.

This is how one plus one equals three. When different groups are held together by their informal leaders and shared purposes, values, and beliefs, the culture becomes more than the combined groups. The culture leads to a higher quality of understanding and cooperation. When people view their differences as resources, they are more likely to find a higher purpose or common ground and perform better.

THE CULTURE OF A COMMUNITY





One of the ways to see how a community works is to understand the motivation that drives its collective behavior. Professor emeritus George Foster, Department of Cultural Anthropology, University of California, Berkeley, and a past board member of Wildflowers Institute, introduced us to the concept of premises. Professor Foster helped us see the importance of knowing the underlying meaning or purpose of why people do what they do. Along with Chinese anthropologist Hsiao-tung Fei and Mexican psychologist Rogelio Díaz-Guerrero, he had made similar observations about the underlying motivation of human behavior in communities. In his 1992 paper *Statement of the Concept of Premises Underlying Our Efforts to Develop Personal Networks*,<sup>7</sup> Foster quotes Hsiao-tung Fei's insight:

Human behavior is always motivated by certain purposes, and these purposes grow out of sets of assumptions which are not usually recognized by those who hold them. The basic premises of a particular culture are unconsciously accepted by the individual through his constant and exclusive participation in that culture. It is these assumptions—the essence of all the culturally conditioned purposes, motives, and principles—which determine the behavior of a people, underlie all the institutions of a community, and give them unity. This, unfortunately, is the most elusive aspect of culture. Since it is taken for granted by the people, the student will not find it formulated verbally. On the contrary, it must usually be inferred from concrete behavior, a process which requires a certain insight on the part of the observer.

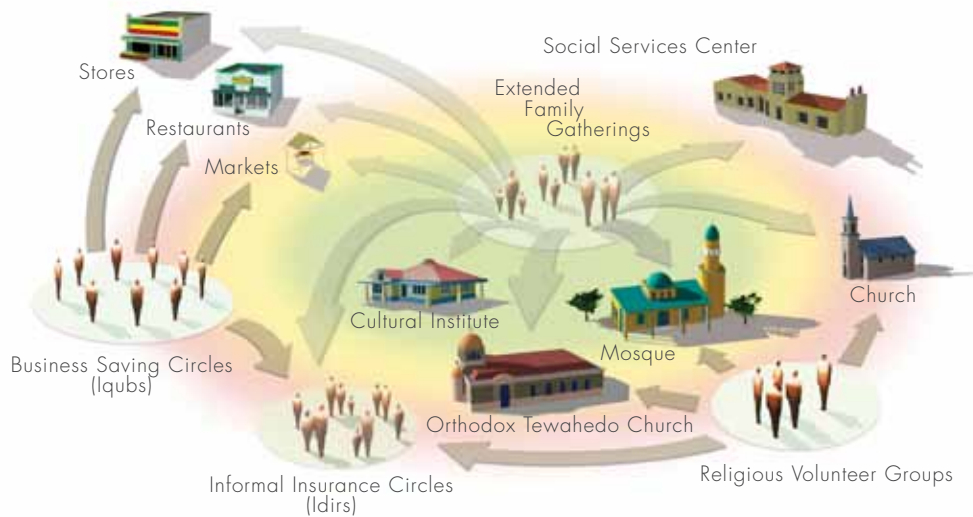
As Hsiao-tung Fei noted, the purposes that unite people and institutions are most often unknown to them. But without knowing their purposes, it would be almost impossible to put meaning to our observations of community behaviors. So figuring out how to see this aspect of the culture was one of the biggest hurdles that we have had to overcome. We needed to capture the “elusive” purposes that Hsiao-tung Fei referred to and to do so in a short period of time and in a manner that gets people even more engaged. Early on, we got mixed responses to our queries about their motivations and the purposes that hold them together. Most would say to us, “Well, . . . we like being together, and it's just the way we do things around here.” But we wanted to know more than that.

So we experimented with different methods with different groups in different countries to develop a systematical process that uncovers this information. Carl Jung observed in the book considered to be his more seminal work, *The Red Book*, that at the core of psychological growth and development is the “image.” The image is the genesis of change and of psychological transformation. One of Jung's analysts in Switzerland, Dora Kalff, introduced Sandplay therapy to her clients, using miniature figurines and objects to tell stories about themselves over time. Each image holds symbolic meaning, and the composition and the arrangement of images reflect the inner world of the clients, offering a visualization of their world.

We adapted Sandplay and developed this tool, which we named Model-Building,<sup>8</sup> to avoid confusion with Kalff's process for individuals. We invite groups to build models of people, social structures, and activities of their community. Participants then describe who is in their model and what they are doing. The models reveal social

architectures and show us symbolic representation of projects that serve the community at large. Model-Building transcends differences in oral and written languages and yet offers clarity about formal and informal social structures, social order, and underlying purposes uniting everyone in the community. It gives everyone inside and outside a shared vocabulary to interact with one another about direction, strategy, and tactics. This process and tool is especially useful when working with members of a community where English is not their first language.

A MAP OF DEVELOPING LOCAL ORGANIZATIONS IN THE ETHIOPIAN COMMUNITY



The model above of the Ethiopian community in San Jose and Oakland was created after Model-Building sessions with different groups. The model shows the development of the extended family and its networks of informal circles of trusts—business saving circles, informal insurance circles, and religious circles—and formal structures in the community.

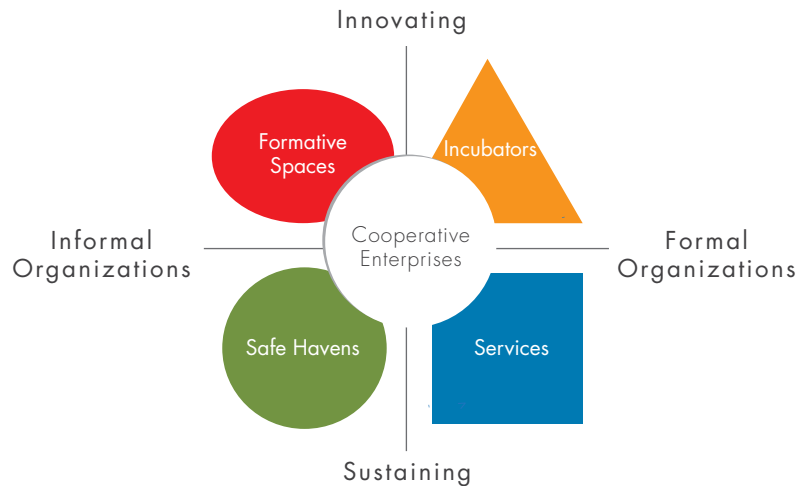
### Functioning as a Complex Adaptive System

The fifth building block consists of activities in the four quadrants serving the broader mission of helping people in the community to adapt to their local situation and the market economy. When all four quadrants are working and interacting with one another, the community becomes an adaptive system that generates, heals, and regenerates. This system is a framework for seeing what exists and thinking strategically about how to improve the functionality of the ecosystem.

The culture of the community drives the five functions, as shown in the illustration below. Safe havens are established by the desire for emotional and socially connectedness. Formative spaces are developed with the belief that improving one generation after another is important. Incubators are created by those who want to make a difference

in the world. New services are offered to improve effectiveness. And cooperative enterprises are undertaken to bring differing parties together in new structures and new social orders. So to help communities function as a whole system, we should be thinking about how to nourish these values and beliefs that inform each of the four quadrants and advance the social order of the whole community.

#### THE FUNCTIONS OF A COMPLEX ADAPTIVE SYSTEM



Take San Francisco Chinatown, for example. The majority of its residents are low-income adults, children, and elders living in single-room-occupancy hotels. We estimate more than 70 percent of the families and elders live in SROs (lower left quadrant). On the ground floor of SROs there are markets selling fresh produce, seafood, dry goods, and herbal medicine; coffee shops and bakeries; and small restaurants. The residents, young and old, go to the Chinatown branch library so frequently that it is open seven days a week. One of the most successful elder-care facilities, Self-Help for the Elderly, provides training for health aides and home-care service providers. There are also traditional Chinese doctors and Western doctors, and the Chinese Hospital is right in the center of the neighborhood. Chinatown's elementary school is deemed one of the best in the city. There are plenty of after-school programs for the youth, and the local YMCA and the Betty Ann Ong Chinese Recreation Center offer athletic facilities. There are strong civil rights organizations that have been operating since 1895. All these public, nonprofit, and business entities function as the providers (lower right quadrant) serving Chinese families throughout the Bay Area.

Members of the Chinese community are invited to join an association by family surname, such as the Lee Family Association or the Moy Family Association. The family associations provide social and economic support and job referrals. A few family associations have a financial lending service. Representatives of the family associations join one of six district associations, that is, a district having a common dialect and representing

families according to the location of their village or county in China. The family associations and the district associations are informal entities, and most all of them belong in the lower left quadrant of our model. Prominent business leaders of the district associations have served on the Chinese Six Company, which is the social, political, and economic voice of the community. As a “cooperative enterprise” (as shown in the center of our model), the Chinese Six Company gets involved in major neighborhood projects. One of the outcomes of the 1989 Loma Prieta earthquake was the collapse of two freeway ramps connecting the Bay Area to San Francisco Chinatown. This seriously diminished access to the neighborhood. But the Chinese Six Company in partnership with local politicians and service providers mounted a political campaign to reestablish access to neighborhood. The City and County of San Francisco decided not to rebuild the freeway ramps, but because of the political pressure from the community, the City agreed to invest in a Central Subway station at Stockton and Washington Streets in the heart of Chinatown. When completed, this development for all intents and purposes will reconnect people throughout the Bay Area with San Francisco Chinatown.

In communities, there are insiders/outside—entrepreneurs, inventors, artists, and others who take on the responsibility of starting something new. There are also spiritual leaders, traditional cultural performers, elders and women circles, and others who are motivated to preserve continuity from the past to the present. These different directions are essential to developing a sustainable social formation and social order. One looks to the future while the other is anchored in legacy and history. Some people see the value of both directions but assess the current social situation to gauge what needs to be done. But complications arise if people in the community do not value the different directions somewhat equally. If innovating and sustaining are viewed politically as opposites instead of as opportunities, the community gets bogged down with conflict and doesn’t achieve something bigger for the good of the commons. So how do communities both embrace new ideas and programs and sustain them over time? What follows are three case studies that describe how communities are reorganizing and regenerating themselves.

### SECTION 3: CASE STUDIES OF HOW THREE COMMUNITIES ARE ADAPTING AND GROWING

This section provides extended case studies of three different approaches to reorganizing communities so that they can address the challenges they face in America today. The first case study describes how a Southeast Asian refugee community has been building itself in the San Francisco Bay Area since the 1980s. The second case study shows how an urban indigenous group from different tribes and cultures organized itself in the 1990s in the South Valley, Albuquerque, New Mexico. And the third study depicts how members of a mixed racial, ethnic, and gender-preference neighborhood, the Tenderloin in San Francisco, are naturally coming together on their own to help one another.

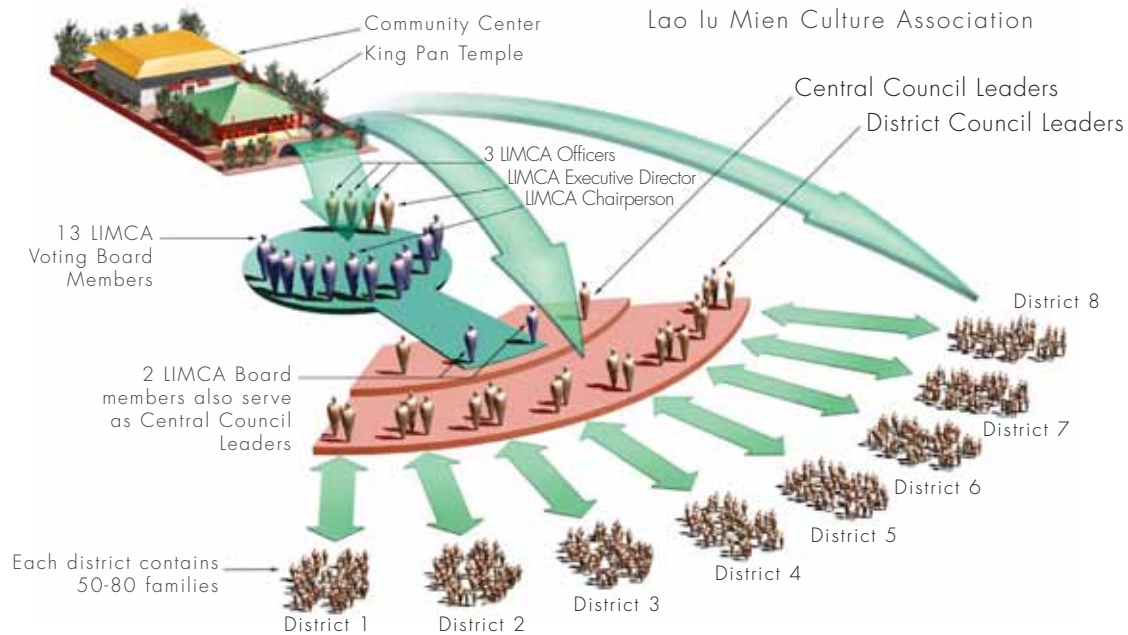
#### The Lao Lu Mien Community, San Francisco Bay Area

The Lao Lu Mien people are an indigenous tribe composed of twelve clans who resided in the highlands of Laos. The photo below shows a Lu Mien village in the lowlands of Laos, courtesy of the William Sage Collection, Special Collections, Arizona State University Libraries. The Lu Mien tribe along with the Hmong supported CIA operations and fought with the Americans in Laos during the Vietnam War. In recognition of their heroic contributions and under executive order by the president of the United States, the Lu Mien tribe and its twelve clans were granted American citizenship. Thousands of Lu Mien refugees arrived in the San Francisco Bay Area beginning in 1980. Three of their leaders, Mr. Kouichoy Saechao, Grand Priest Fouvang Tang, and Mr. Kao Chiem Chao, the son of a chief of the Orange Village in Laos, came together in Oakland, California, in the early 1990s to address the general fragmentation of their community. This study shows how these three informal leaders have brought about a social order and sustained positive change in communities with which we have been privileged to work. Not knowing English or the ways of basic survival in America, the refugees called upon these three leaders often in great distress for help with their many and varied crises. In the eyes of the three leaders, the greatest challenge to be faced in addressing this social fragmentation was to determine the social order and structures that would innately bring together first hundreds and eventually all six thousand members of their displaced villages.



Guided by their elders, the lu Mien organized themselves into eight districts in the San Francisco Bay Area, each of which mirrors the relationships of a village structure and its surrounding area in the highlands of Laos. Each district selects two or three leaders to mediate and resolve differences in and between families and clans. The district leaders are also involved in selecting four individuals to serve on the Central Council of the community. These four oversee the development of the whole community. In addition, the Central Council and district leaders work closely with the Lao Lu Mien Culture Association (LIMCA), whose mission is to introduce new programs and provide services to the entire community. The illustration below depicts the social formation of the lu Mien community, LIMCA, the community center, and King Pan Buddha Light Palace in the San Francisco Bay Area.

A MAP OF GROUPS AND ORGANIZATIONS IN THE LAO LU MIEN COMMUNITY



When the lu Mien established the village/district structure and made explicit its traditional culture, the whole community was better able to realize its higher purposes and aspirations. We observed hundreds of community members contributing what they can to developing projects and social spaces for them to be together in the Bay Area. This collective action gave community members greater meaning because they were now part of something bigger than themselves. What follows is an account of how participatory democracy helped develop the lu Mien community in the Bay Area.

One of the lu Mien's most powerful social adaptations was the democratic selection process of their village or district leadership in the Bay Area. Whereas in Laos the position of village chief was hereditary and passed down from generation to generation, in the United States community members now elect lu Mien leaders to a term of office. This means that they are selected based on merit and performance. Their role is to meet in the evenings and on weekends with families and clans to help them solve complex problems, resolve family disputes, and organize and serve the whole community. This change in the selection of leaders has created both security and opportunity for the lu Mien in the San Francisco Bay Area. Moreover, the lu Mien adapted their traditional village structure to their new environment. This has led to rapid adjustments and improvements in social health and the quality of life for thousands of refugees.

Seng Fong, a community leader, reflected on her arrival in the Bay Area in the 1980s and the progress that her community has made through collective leadership and participatory action: "In 1998 I started to volunteer for the Lu Mien Scholarship Fund, a



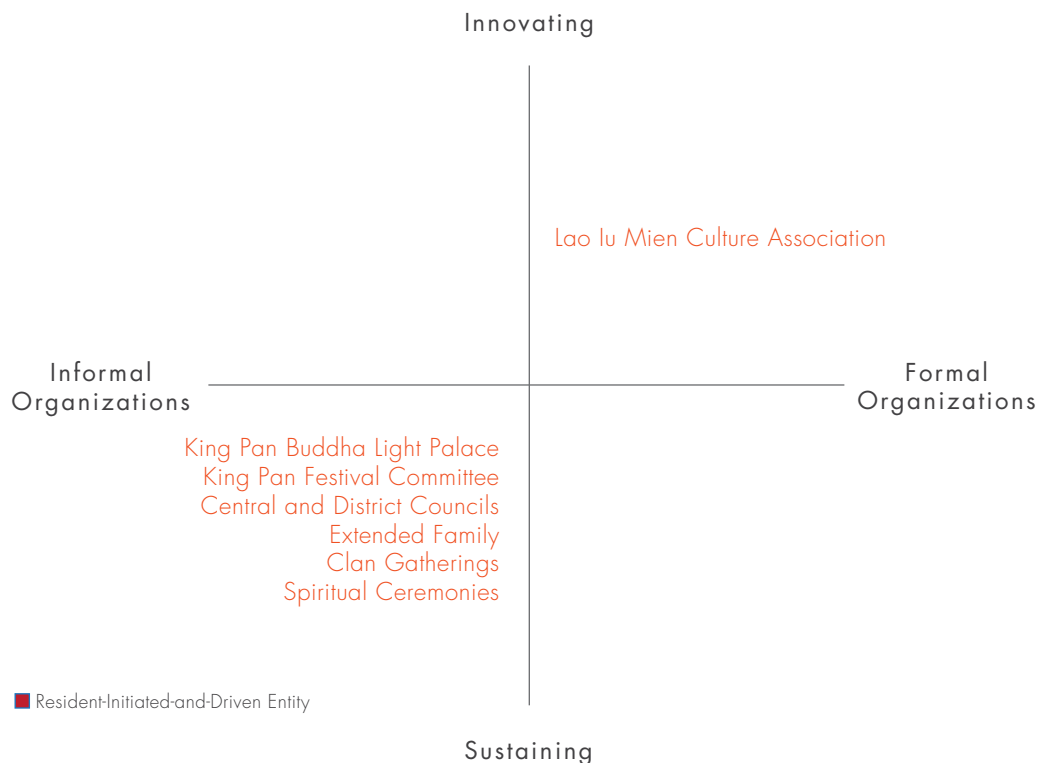
program of the Lao Lu Mien Culture Association, Inc. This was where I met Mr. Kouichoy Saechao, founder and chairman of the Board of Directors. . . . In 1996 LIMCA was able to acquire a property in East Oakland and financed it mostly by the Lu Mien family members. . . . The district leaders were able to raise about \$200,000 for the down payment of the property. Because we outgrew the house we needed to expand. So in order to save money, the district leaders and community members helped with the demolition of the house to build

the community center. . . . With the first phase of the community center completed, we needed a spiritual place for the whole community and that's why the King Pan Buddha Light Palace was built on the same property in front of the community center."<sup>9</sup> The top photo shows a grand priest, spiritual leaders, and elders receiving Wildflowers guests at the Lu Mien Community Center on July 8, 2007. The photo below shows the King Pan Buddha Light Palace, which was built in 2008 adjacent to the community center.



Although there are no formal census data on the Lu Mien population, we at Wildflowers also have witnessed over the past thirty years the cohesion and improved social health of thousands of Lu Mien in the Bay Area. The early 1990s saw Lu Mien gang wars, but today there are none. Many of the children are now entering colleges and universities, and some are attending graduate schools. The Lu Mien raised millions of dollars from community members and from outside sources to build their community center and temple. The Lu Mien strategy for community building has become known in China, France, and the United States, and serves as a model for how to develop a social order and a structure to innovate and grow. Without Wildflowers' collaboration with the community's informal leaders and appreciation of its traditions and structures, such progress would have gone the way of so many well-intended but ill-informed funding programs and initiatives alluded to in Section 1 of this paper. (For more information about the development of the Lao Lu Mien community and the role that Wildflowers Institute played in helping it, please visit LMCA's website at <http://limcacenter.org/lc/study-2000/> .

A MAP OF GROUPS AND ORGANIZATIONS IN THE LAO LU MIEN COMMUNITY



Our experience with the Lu Mien led us to see that the first stage of community development requires informal leaders and their groups organizing around a shared purpose and direction. The illustration above shows the different groups and organizations that were needed to settle in America. The Central Council and district leaders and the spiritual leaders focused on establishing safe havens where community members could feel socially and emotionally connected to one another. The Lao Lu Mien Culture Association, a 501(c)3, introduced new programs and practices that strengthened the culture of the community. This social formation of informal and formal entities is one of the most cost-effective and self-sustaining approaches to helping immigrants and refugees make their home in America.



## The Red Wolf Band, South Valley, Albuquerque, New Mexico

"Sometimes we must walk backwards looking forward so we can regain our collective identity," said Pablo Lopez, one of the leaders of the Red Wolf Band. Composed of urban people from different tribes, the Red Wolf Band got together in Albuquerque in 1995. Red Wolf is a community of people seeking to be connected to the sacredness of the past without losing sight of the future. With modest financial means, Red Wolf members raise the ongoing question of how much is enough for themselves and family members. They know that in a material society where wealth and social stature are valued more than the spiritual life, there is the urge to have more and more. But this basic question of how much is enough serves to help them balance the material with the spiritual world. This case study exemplifies how the Red Wolf Band draws strength and direction from the wisdom of its ancestors. The formation of this community was premised on rectifying the trauma that indigenous people suffered centuries ago.

The idea of starting the Red Wolf Band came from Pablo, who went on a Vision Quest conducted by the Lakota people in the Dakotas. During this ceremony, he received a vision of developing a community of people, rooted in the teaching of the Sundance, that would heal its members who were spiritually wounded. The Sundance deeply honors the human connection to the earth, the preservation of land and water, and the protection of children. The Sundance values bravery, honesty, generosity, and humility. With the support and guidance of a Diné spiritual leader, Everett Baldwin, Pablo sought to address the alcoholism, drug abuse, and social isolation that afflicted Albuquerque, New Mexico's indigenous people. Western treatment programs do not work in the long run because the root of the problem is not a physiological dysfunction but rather a spiritual disconnection that requires relearning one's connection to the Unci Maka, Grandmother Earth. Pablo and Everett knew that what urban indigenous people suffer from is not being part of a community that embraces an indigenous worldview, respects the sacredness of nature, and upholds a social structure of clans, warriors, and spiritual healers. This was Red Wolf's profound insight and social contribution that continues to heal others and helps them to be their best in urban settings.

Pablo and his spouse, Andrea, have been holding sweat-lodge ceremonies every week in their backyard in the South Valley of Albuquerque for the past fifteen years. They see sweat lodges as a way to connect people to their native roots. Through this spiritual and cultural practice the Lopezes and Everett aim at helping community members remain clean and sober. The sweat lodges are open to all people, and the only condition for participants is abstinence from drugs and/or alcohol. Over time, Pablo, Andrea, and Everett have held other pertinent ceremonies in accordance with traditional teachings about the importance of protecting the land and the water. These spiritual activities have formed higher shared purposes and values among indigenous families in Greater Albuquerque, New Mexico, and beyond. Today the core group is made up of some fifteen families who are connected to and have influenced many hundreds of people.

The photo below, taken in winter of 2007, shows Tsa Ya Toh, a sacred site in the Diné Nation, New Mexico. Members of the Red Wolf Band use the site for spiritual replenishment and for strengthening their will to persevere and grow. At this sacred site, community members participate in ceremonies that help them recognize the power of the spirit, not intellectually but experientially. Tsa Ya Toh is the ceremonial grounds for

the Sundance Ceremony. The Sundance strengthens one's commitment to preserve the traditional teachings about the values and the ways of indigenous people. It is also a way by which the sundancers commit to healing their community. The ceremony enables people to maintain a strong belief in prayer and its manifestation into action, keeping the family together and the community healthy.



Tsa Ya Toh is also the sacred site for the Vision Quest, which Red Wolf holds once a year for four consecutive years. During each ceremony, participants go without water and food for four days. According to Jorge Garcia, a mentee of Pablo Lopez, this experience "puts your spirit in front of your physical

being."<sup>10</sup> During this four-year process of spiritual development, a vision emerges. Jorge Garcia explained further: "Think about it—if I'm hungry right now, if I want to eat something, if I want to [satisfy] the pleasure of something for my body, I go get it. I go to the store, I satisfy my physical needs. So my physical body is never deprived of anything. So the only way we can achieve a certain level of understanding about



our spiritual being is by sending [our] physical being to the back [and] by superimposing [our] spiritual being in front of [ourselves]. . . . it has to do with breaking through fear that provides you a sense of character and understanding. . . . You start learning, for example, how to become a generous person, how to have compassion, how to have all of these virtues that are a part of a society that is thought to be

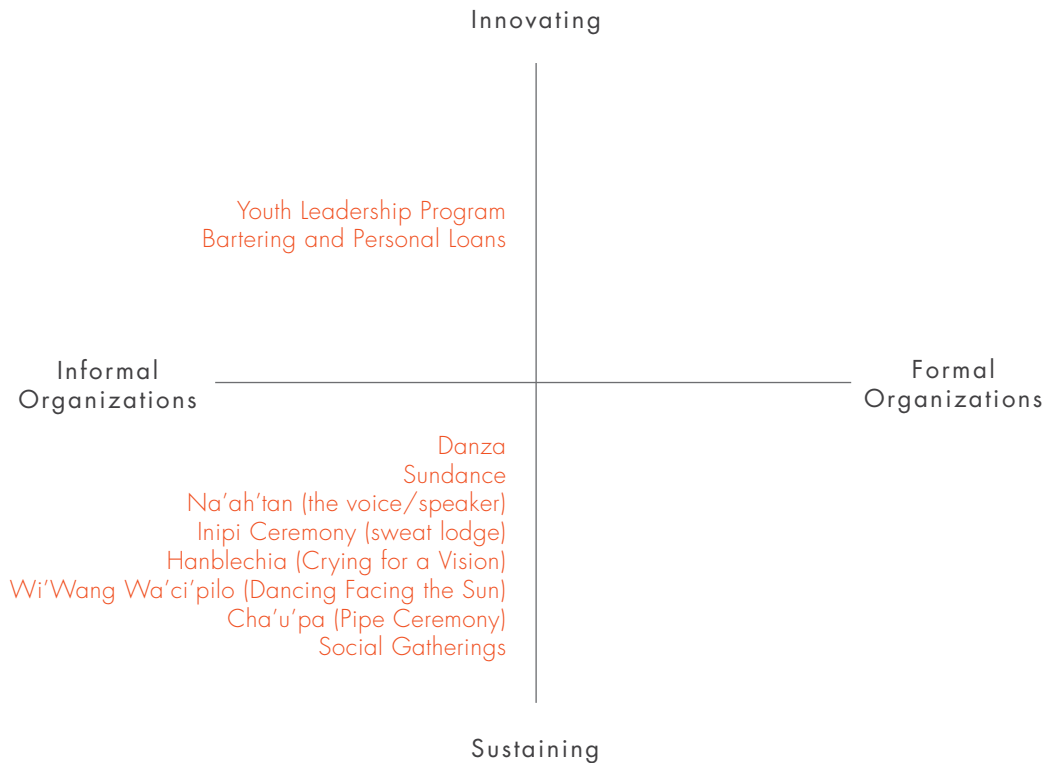
long gone, but it is not; it just has been suppressed."<sup>11</sup> The photo above shows Pablo, left, and Jorge in the Lopezes' backyard where they hold the weekly sweat lodges.

Red Wolf's spiritual activity involves the Aztec Danzas as its way to join participants together around shared purposes and to summon the will to overcome challenges. The photo below shows a Danza, a ceremonial experience for family members. Jorge shared his thoughts about the Danza: "As I was reflecting about art and our community, I was thinking about the motions that we follow to honor the sun and the moon through the solstices, equinoxes, and the sweat lodges during the new and full moons and how those motions are part of the cosmivision that we now follow not only to do ceremonies, but also to plan and to direct our sense of spiritual direction. As I thought about art, I thought about our Aztec dances and how each one of the Danzas that we dance is intended to teach us about the energy of a specific animal, plant, essence, and concept that are intended to connect us back to those who came before us and who had a strong and deep understanding about what those moves, songs, and rituals meant in their lives."<sup>12</sup>



Red Wolf's strategy is to develop the spiritual and cultural leadership of the community. Like the Lao Lu Mien community, Red Wolf Band members are thinking many generations ahead. They are preparing their children and grandchildren to take responsibility for community building. Ceremonies are the way that Red Wolf is establishing both safe havens and formative spaces and fostering spiritual leadership. It has been able to solve the problems of alcoholism and drug use in indigenous populations at little or no cost. The illustration below shows Red Wolf's ceremonies and programs.

A MAP OF THE CEREMONIES AND PROGRAMS OF THE RED WOLF BAND



## The Tenderloin, San Francisco

The Tenderloin is surrounded by some of the most affluent neighborhoods in the city. It has long had San Francisco's highest poverty rate and the troubling image of homelessness, crime, drug addiction, alcoholism, and dilapidated buildings. The median



household income is \$24,600, a figure that is considered extremely low or very low income.<sup>13</sup> Census data (2012) show a population of over 26,000 with 35 percent Asians, 10 percent Blacks, 18 percent Mexican-Latinos, 33 percent Whites, and 4 percent Others. Immigrants and refugees make up over 50 percent of the population. A large LGBTQ population also resides in the neighborhood.

In 2011, Mayor Ed Lee initiated the Central Market Economic Strategy (CMES) to strengthen and revitalize the commercial activities in the Tenderloin and South of Market, the area where most of the technology companies are located. The east and west sides of the neighborhood have a BART station, which few other neighborhoods have. The CMES goals are to foster public and private investments on Market Street from Fifth Street to Van Ness Avenue and to develop a diverse, healthy mixed-income neighborhood. The San Francisco Planning Department shows that between 2011 and 2013, 12,000 new jobs were created in the Tenderloin.<sup>14</sup> The Planning Department intends to develop 9,694 planned and proposed new housing units within the next ten years.<sup>15</sup> It will dedicate 1,100 units to low- and moderate-income families.<sup>16</sup> This strategy will shift the demographics of the district, which in turn will change the culture and lifestyle of the neighborhood.

Brad Paul, the former deputy mayor for housing of San Francisco and a former resident of the Tenderloin, helped us see and understand the moral and political development of the Tenderloin and how it played out over three decades, starting under the Agnos administration in the 1980s. Brad described the policies that were put in place to protect low-income tenants by preventing greedy landlords from raising rents and displacing residents. In effect, he and the administration developed new zoning supported by community residents that would prevent massive neighborhood development. (See the short video of Brad's report of his model of the Tenderloin at <https://vimeo.com/158097537>.)

Without the Planning Department knowing explicitly what already works in the community and its culture, we fear decisions will be made and changes will be implemented that will have serious unintended consequences on the community's ability to sustain change and regenerate on its own. Local government, developers, and technology companies, as well as nonprofit organizations, do not disagree with developing a neighborhood by leveraging what works and strengthening the community's existing culture. Most everyone we talked to wants to make a difference in the world and to do it in a way that is better for all. The biggest problem for organic growth is that it is very difficult to know what really works. The community's innate strength and resources lie dormant and are invisible to many. Still another challenge is knowing what the community's real-time culture is—a set of values and beliefs that are playing out every day on the streets and in organizations, giving the neighborhood its unique identity and characteristics.

The following is a brief summary of what we have learned about how informal and formal groups have been organizing for the good of the community at large. The Tenderloin has always been a formative space where groups of people can make

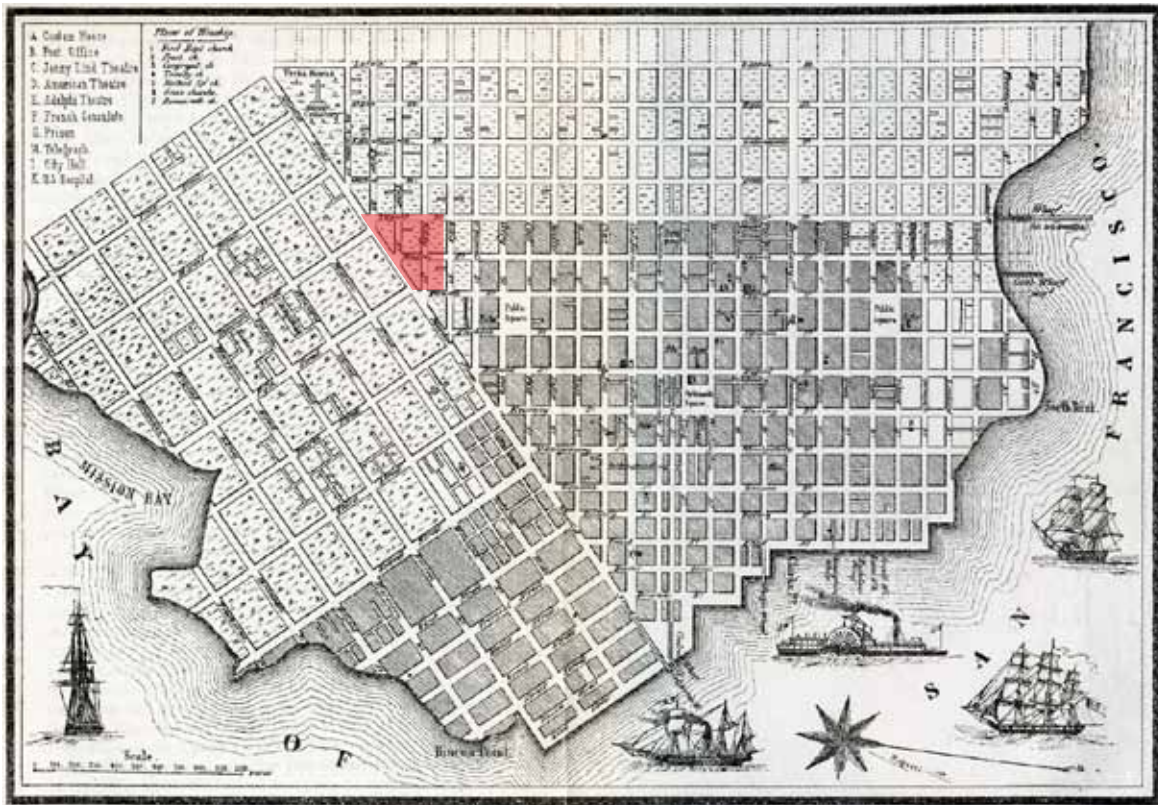


something new happen on their own. Immigrants, refugees, and Blacks came to this neighborhood for renewal. The Southeast Asian refugees, for example, arrived in San Francisco after the Vietnam War and were assigned living quarters in single-room-occupancy (SRO) hotels. Individuals and families make do in one-room hotels and share a bathroom down the hall. Since the mid-1970s, Vietnamese, Laotians, Cambodians, and other Southeast Asians started their families in the Tenderloin and reorganized themselves to make America their new country.

They started family businesses with everyone working together. They lent money to one another and to their relatives and clans. They took risks. They set up their own grocery stores, pho and noodle shops, and family restaurants. The small businesses grew organically. These endeavors not only helped individuals and families but also served the community and the Bay Area. The spiritual leaders and cultural performers organized their own social spaces to replenish the community's spirit. Residents gave whatever they could to support the spaces where they gathered together. Thirty years later, this two-block commercial and cultural development was officially recognized as "Little Saigon." This approach is not unlike what the Lao Lu Mien did when they developed their community center and temple in East Oakland. This is how things work in the community. If you have the will and a social formation of people working together to make something happen, then you can realize it in the Tenderloin.

The Tenderloin is a sacred and healing space. In the 1850s, a section of the neighborhood of what is now Market and Eddy Streets became known as the center of St. Ann's Valley (Saint Ann was the mother of the Virgin Mary).<sup>17</sup> The map below shows San Francisco at that time and the center of St. Ann's Valley highlighted in red.<sup>18</sup> Today, Glide Memorial Church, St. Anthony's, St. Boniface Church, and the Alsabeel Masjid Noor Al-Islam Mosque are all within this vicinity. Many dedicated nonprofit organizations work from their hearts in the neighborhood: Hospitality House's Community Arts Program (CAP), the Boys and Girls Club, Tenderloin Neighborhood Development Corporation, and others play an essential role in helping residents. They provide affordable housing, social services, an art studio, and daily meals and respite for the homeless. Many are dedicated to healing the wounded. This space holds a spiritual energy.

The Tenderloin is a sanctuary for people who do not want to be defined by mainstream norms. Its underground culture and social scene have always drawn visitors despite the Tenderloin's unpopular image. Art flourished in brothels, speakeasies, gambling dens, and turn-of-the-century theaters on the east side. Jazz legends of the mid-twentieth century played before devoted audiences in the neighborhood. Crime there inspired the detective novels of Dashiell Hammett. The Tenderloin became a safe haven for transgenders, who migrated to this community because it was the safest place to be. Transgenders have been mistreated and discriminated

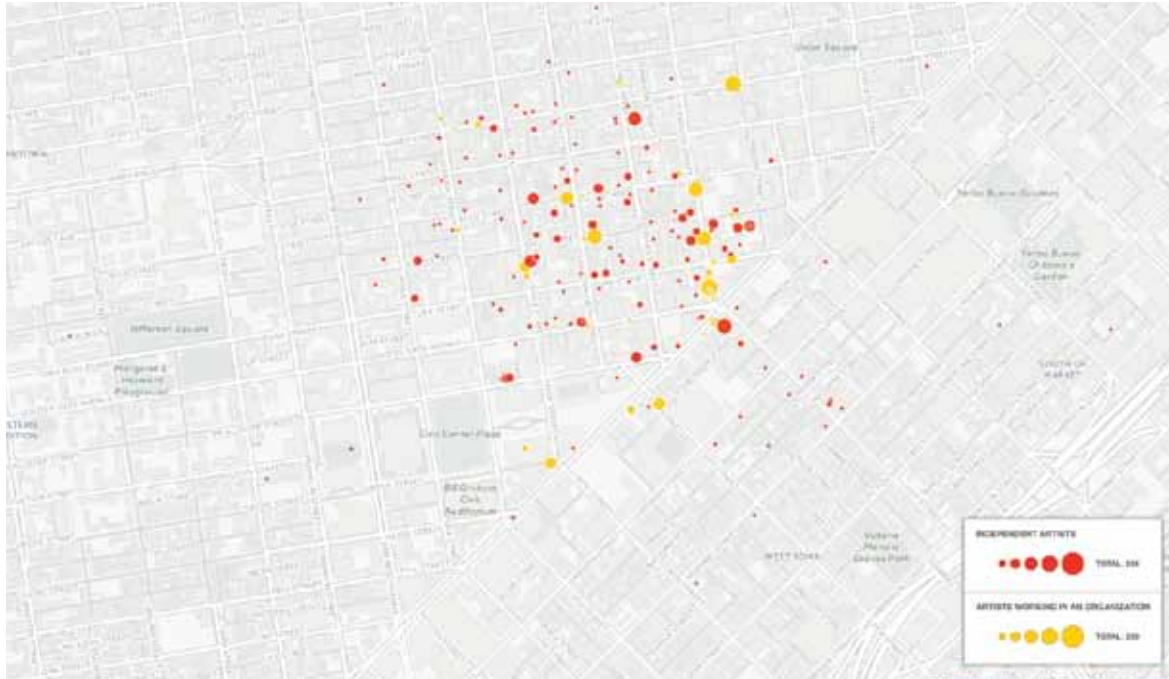


against more than any other gender group. Many have been physically attacked or sexually assaulted.<sup>19</sup> They migrated from all over the country and from the Bay Area to the Tenderloin. Some arrived homeless, but they were safe from violent attack and attempted murder. Several transgenders in our focus groups shared with us that they have been living in this neighborhood for several decades and have never been assaulted. They, like so many others, found refuge among one another. Transgenders and other groups that are in some way considered social outcasts insist on being free to be themselves.

Four years ago, the institute became involved with resident artists in the neighborhood, which gave us an opportunity to work with them. With support from ArtPlace America, we carried out a study of how many artists live and/or work in the neighborhood, which gave us an opportunity to work with them. Our study revealed over 650 artists in the neighborhood, the majority of them creating artworks that have therapeutic value. We realized that some of their artworks also provide insights into the neighborhood. The map below shows the location of artists and art organizations in the neighborhood.

We then carried out on-site interviews with a hundred artists in their live/work space to gather additional information about what was important to them. So many of the artists have been traumatized by war, persecution, poverty, racism, and life in a ruthless meritocracy. Some of them are recovering from mental and physical illnesses.

## INVENTORY OF ARTISTS' LIVE/WORK SPACES AND ART ORGANIZATIONS



We learned that many have felt alienated from society but have developed a creative response to healing their wounds. These visits provided us with insight into the neighborhood's energy force for change. What we saw in their one-room dwellings and the art studio at the Community Arts Program were their safe havens. We saw artworks that were personally meaningful and displayed everywhere in their rooms, which gave us the most substantial evidence that they were putting their lives back together again. Most of them spend their time doing art as therapy and, in so doing, are putting some order to their inner and outer worlds. Creating artworks is helping them heal and tell their stories to the world. The photo below shows an artist working in the CAP art studio.

People are free to be and to create and heal themselves in this sacred place. When we uncovered hundreds of people who are suffering and heard stories of immigrants and refugees who were victims of war, we came to realize that many of them are healing and that they are the regenerative energy force of the Tenderloin. Independently and in small groups, they are adapting and growing. They constitute a critical mass of people whose shared experience gives the community its character and identity. The map above reflects the different groups and organizations in the neighborhood, highlighting two very different worlds. One world is made up of self-organized groups making do with what exists and the other world is composed of formal institutions serving the community.

One of Bob Dylan's lines in his song "Brownsville Girl" is "strange how people who suffer together have stronger connections than people who are most content." So the strategy of the Tenderloin is to continue to strengthen these invisible connections that make up the critical mass in the neighborhood. Artists in the neighborhood are developing artworks to tell the many stories of the people and the place. Their stories are helping residents name and claim their unique culture and identity, creating a ripple effect throughout the neighborhood.



A MAP OF TWO WORLDS IN THE TENDERLOIN

Innovating

<p><b>Informal Organizations</b></p>	<ul style="list-style-type: none"> <li>Book Club</li> <li>Study Club</li> <li>Resident Artists</li> <li>Ethnic Youth Groups</li> <li>Boys and Girls Club</li> <li>Recovering Injured Souls</li> <li>After-School Mentors, Coaches, and Teachers</li> </ul>	<ul style="list-style-type: none"> <li>City Supervisors</li> <li>Mayor's Office</li> <li>Land Trusts</li> <li>Northern California Community Loan Funds</li> <li>Corporations (Dolby, Twitter, Zendesk, Uber, etc.)</li> <li>San Francisco Community Foundations</li> <li>Hastings Law School Labs</li> </ul>	<p><b>Formal Organizations</b></p>
	<ul style="list-style-type: none"> <li>Yemeni</li> <li>Laotians</li> <li>Vietnamese</li> <li>Cambodians</li> <li>Transgenders</li> <li>Gay and Lesbians</li> <li>Chinese Association</li> <li>Filipino-American Association</li> <li>Pop-Up Flea Markets</li> <li>Neighborhood Watch</li> <li>Circle of Elders</li> </ul>		<ul style="list-style-type: none"> <li>Community Development Corporations (TNDC, THC, DISH, Mercy Housing, etc.)</li> <li>Grocery Stores</li> <li>Main Public Libraries</li> <li>Glide Memorial Church, St. Boniface Catholic Church, and Islamic Society of San Francisco</li> <li>San Francisco Recreation and Park Centers</li> <li>Tenant Housing Advocacy Groups and Organizations</li> <li>Cultural Centers</li> <li>Redding Elementary School</li> <li>St. Anthony's Medical Clinic, City Impact Clinic, and Tom Waddell Clinic</li> <li>St. Francis and Sutter Health Hospitals</li> <li>Faithful Fools</li> <li>SF Bay Area Women's and Children's Center</li> </ul>

Sustaining



## SECTION 4: CONCLUDING THOUGHTS

The framework described in this paper highlights activities of groups and organizations making change in a market economy. It also discerns the functions that activities serve for the good of the community. Our studies have focused on low-income populations to see how they adapt and grow. By and large, they have had to make it on their own, relying on the power of love, creativity, discovery, and moral leadership. This framework has wide applications to address poverty in communities, regardless of race, ethnicity, gender preferences, or income levels.

We have witnessed the innate ability of many communities to solve their own social problems. We have come to appreciate a plethora of social architectures and formations that make good things happen. Families and clans function as an economic unit where everyone, young and old, participates and does what must be done to help family members throughout their lifetime. Informal associations renew and replenish community members. Service providers innovate on their own and develop new training for invisible groups. And individuals who are not organized in a social structure but share something in common are a hidden force of change in the community.

Why is it that few if any funders and governments know what to do with the social and economic problems we face such as migration and the trauma of war throughout the world? Too often, strategic plans and paradigms are developed that are aspirational, have flawed assumptions, and are politically motivated in favor of one or more groups but are not grounded in the realities of the community. There is little or no understanding of how a community works on its own. Even if funders or local government officials do know what is really going on, their understanding doesn't fit into their playbook. So it is almost impossible to gain any traction within the institutions dedicated to change making. The problem we face in the twenty-first century is that we really don't know what works in communities and how they are internally governed.

A more effective approach to change making would be to build a thoughtful analysis of existing community resources and assets and a deep understanding of how vulnerable groups deal with the political and market forces facing them. This analysis would become the basis for developing an inside-out strategy. The strategy would have three characteristics.

First, the strategy must be grounded in the people, their social structures, and their social architectures that make things happen. It should delineate the shared purposes, values, and functions of the community. It should highlight the major tensions and who is resolving them and how. It should strengthen the local governance structure—its rules and processes for decision making and managing the use of local resources—and further support community members working cooperatively together. It should make visible invisible populations and what they have in common.

Second, the strategy must reflect a twenty-first-century mind-set that understands the external and internal conditions influencing the functioning and capacity of the community to adapt to local conditions. This year, the institute held a dinner and a lengthy discussion with Wildflowers fellows<sup>20</sup> and foundation executives and directors, the Aspen Institute, and facilitator consultants.<sup>21</sup> (Our guests from outside the Bay Area were participating in a three-day institute incubator on sustaining social innovation.)

The purpose of the dinner meeting was to discuss the conditions that foster transformation in the fellows' communities. The fellows hailed the importance of

1. Sharing a common history and purposes in life;
2. Walking backward and looking to the future;
3. Naming and claiming the collective identity and culture of the community;
4. Knowing how much is enough and balancing the spiritual material worlds; and
5. Developing personal character and overcoming fear.

A multitude of external conditions erode or undermine these five conditions. Identifying which external forces are having an adverse effect on the community functioning as an adaptive system is critically important. For example, the family is the economic unit for immigrants and refugees parents, who rely on their children to translate and interpret and to help the family navigate the American system. But in America, the importance of the individual is overemphasized, oftentimes at the expense of the family.

Third, the strategy must follow a policy that affects, influences, and controls the will of the community itself and outsiders' perception of the community. This policy is premised on building inside-outside relationships through innovative and ingenious approaches. For example, to change the perception of the Tenderloin as a dirty and gritty place that developers should rebuild, we are working on a policy that is framed around the neighborhood as a sacred space for discovery, healing, and creativity.

What else constitutes a sound strategy? There must be a concerted effort to strengthen the collective will of the community. It is a powerful source of energy. It is not just temporal but spiritual. The genesis of the will comes from something deep inside us. The Lao Lu Mien community draws emotional and spiritual strength and guidance from being connected to its great ancestor, King Pan. The Ethiopians and the Red Wolf Band have powerful rituals that remind them of and connect them to seven or more generations of their ancestors. These and other communities draw inspiration from being connected to something bigger than themselves—their legends and family history. Their courage to persevere and endure suffering comes from something more profound. Even as I write these descriptors, I know that I cannot convey the full meaning of this power. It is more than rituals and ceremonial life. It is something that is at the core of life and death, and that is why it is so difficult to write about. This power should not be underestimated or disregarded in organic change making.

So I conclude this paper with a brief story about spiritual power from Virgil's epic poem, *Aeneid*.<sup>22</sup> The hero Aeneas sought a new social order for Rome and knew that the rite of passage to a world of law, peace, and piety must be to go to the land of the dead. Aeneas went to the priestess Sibyl of the Temple of Apollo to ask her for help to go into the afterlife and visit his father's spirit, as his father had instructed him to do. Before she would agree to this request, Sibyl asked him to go into the forest, find the golden branch, and bring it back to her. This branch would be the sign from the Gods that he would be able to return from the afterlife. Aeneas came back with the golden branch and Sibyl gave him entry into the underworld, where he would discover his fate to build the Roman empire. This legend speaks to linking prophecy and spirituality to a new world. It is a journey of descent into the underworld but also a descent into yourself. This spiritual power is a cohesive force in the communities we are working in. It is one of the building blocks for a new social order (*novus ordo seclorum*).

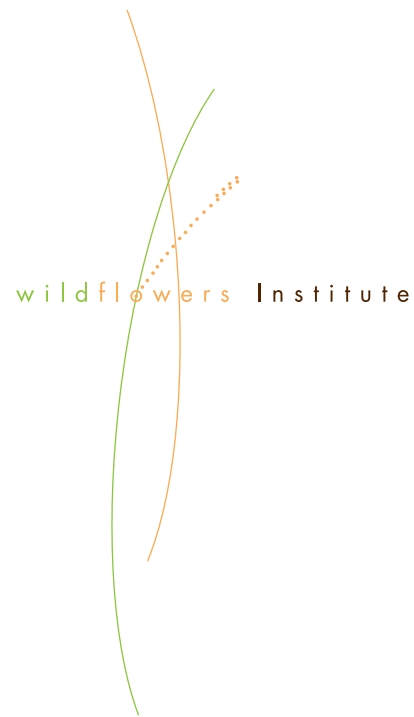
Who will lead us into the twenty-first century? It will be our ancestors, who set about creating social formations that are self-sustaining and function as an adaptive system. It will be moral leaders, who guide and govern us toward a new social order for the good of the commons. It will be our capacity to think realistically, analytically, and differently for this generation and many generations from now.

1. Paul De Grauwe, *The Limits of the Market: The Pendulum Between Government and Market* (New York: Oxford University Press, 2017).
2. Edward O. Wilson, biologist, writer, and professor emeritus at Harvard University, discovered that all humans have a distinct advantage over other species because multiple generations of them live together, carrying out their roles and responsibilities. He characterizes the social formation of the community as "eusocial"; that is, it shows an advanced level of social organization in which people cooperate and at times show altruistic behavior for the good of others. This advantage now seems to have weakened from generation to generation by self-interest and the overvaluation of profits in the marketplace.
3. Ironically, segregation of the Chinese population in San Francisco from the late 1800s to the mid-1900s forced the community to rely on its own resources to adapt and sustain change. Had this not happened, the community would not have had so many Chinese property owners in Chinatown. It also took more than four generations for San Francisco Chinatown to become sustainable and its members to attend colleges and graduate schools. It wasn't until the 1940s that Chinese-speaking professionals began to staff schools, health centers, doctors' offices, and accounting firms.
4. John Dewey, *Human Nature and Conduct* (New York: Henry Holt and Company, 1922), 17.
5. Alfred L. Kroeber, *Configurations of Culture Growth* (Berkeley: University of California Press, 1944).
6. Jerome Bruner spoke directly to the development of culture and consciousness when he wrote that "culturalism . . . takes its inspiration from the evolutionary fact that the mind could not exist save for culture. For the evolution of the hominid mind is linked to the development of a way of life where 'reality' is represented by a symbolism shared by members of a cultural community in which a technical-social way of life is both organized and construed in terms of that symbolism. This symbolic mode is not only shared by a community, but conserved, elaborated, and passed on to succeeding generations who, by virtue of this transmission, continue to maintain the culture's identity and way of life." Jerome Bruner, *The Culture of Education* (Cambridge, MA: Harvard University Press, 1996), 3.
7. To read Foster's paper and learn more about the concept of premises, go to Wildflowers Institute's website: <http://www.wildflowers.org/research-papers/>.
8. In 2006, Wildflowers Institute received an award from the U.S. Patent and Trademark Office for Symbolic Vocabulary Development and Use to patent Model-Building®.
9. Seng Fong, "Modification to a Traditional lu Mien Structure in a Democracy" (presentation, town hall meeting, Yerba Buena Center for the Arts, San Francisco, December 7, 2016).
10. Jorge Garcia, Wildflowers Fellows Meeting, January 19, 2018, Wildflowers Institute, San Francisco.
11. Ibid.
12. Jorge Garcia, "My Impressions of the Wildflower Fellows Event," December 14, 2016.
13. Central Market Economic Strategy of San Francisco, City and County of San Francisco, May 2015.
14. Ibid., 59.
15. Ibid., 66.
16. Ibid., 71.
17. "Rare Photographs of Old San Francisco," *San Francisco Call* 102, no. 149 (October 27, 1907), California Digital Newspaper Collection, <https://cdnc.ucr.edu/cgi-bin/cdnc?a=d&d=SFC19071027.2.183.19&srpos=1>.
18. *Society of California Pioneers Quarterly* 5, no. 4 (December 1928): 198.
19. National Center for Transgender Equality, 2015 U.S. Transgender Survey, 2016, <https://www.ustranssurvey.org>.
20. Most of the Wildflowers fellows are informal leaders of their community. They have been essential to our understanding of how their community works. Not only are they trusted insiders, but their acceptance of Wildflowers staff has given us a much deeper understanding of them and their people and an entry into their community groups. The hundreds of focus-group sessions we have held in their communities have been candid, honest, and heartfelt. For over two years, we have been meeting with our fellows mostly in the San Francisco Bay Area to share the summary of our findings and to gain a deeper understanding from them about this inside-out approach.
21. The participants at the meeting were Robert Adams, Todd and Allyson Breyfogle, Kathy Bryon, Allen Ellison, Jorge Garcia, David Hu, Alice Warner-Mehlhorn, Jennifer Mei, Goro Mitchell, Ingrid Mittermaier, Ramón and Sally Murguía, Mario Paz, Kouichoy Saechao, Jocelyn Sargent, Tan Sirinumas, Asqual Teferi, Winston Tseng, Richard Woo, and Winnie Wu.
22. Virgil, *The Aeneid, Book VI*, trans. Seamus Heaney (London: Farber and Farber, 2012).

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