

# **Private Money and the Public Good: Nonprofit Organizations in Two Eras of Boston's Urban Development, 1960-1990**

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Throughout the history of the United States, private associations and charity have supplemented—and at times surpassed—the government in caring for the most economically vulnerable citizens, improving the social and physical infrastructure of neighborhoods, and supporting cultural institutions. The American welfare state exists today, as it has for centuries, as a project of both public and private aid.<sup>1</sup> Such interaction (indeed, cooperation) between the public and private sectors is not a new phenomenon, but the specific configuration of the interaction that has evolved and shifted over time. Factors such as economic growth, governance structures, and political ideology have defined and altered the relationship between both the public and private sectors and between the sectors and the citizens. For example, private settlement houses emerged as the dominant form of charitable urban-aid at the end of the nineteenth century, but in the 1930s the New Deal model of public aid and benefits replaced the settlement house model. In the 1960s the welfare state entered yet another phase when the government began granting public monies to private nonprofit organizations.<sup>2</sup> The entry of direct public subsidy for private nonprofit activities, I argue, marks a significant turning point in the history of charity in the United States and of the American welfare state that had profound consequences for American cities.

With the advent of new public funding streams—and well-funded streams at that—nonprofits proliferated in number, size, responsibility, and budget.<sup>3</sup> Government grants and contracts underwrote nonprofit programs for preschool and job training, art exhibitions and housing construction.<sup>4</sup> Such a development, in which public monies paid for private programs, redefined the relationship between public and private and raised questions about participation, accountability, and democratic governance. To those questions activists, bureaucrats, community leaders, philanthropists, and politicians all responded with varying answers about how the emergent nonprofit field ought to function on the ground. My dissertation, “The Privatization of Progress: How the Nonprofit Sector Did (And Did Not) Reshape American Cities,” aims to narrate the growth of the nonprofit sector in the second half of the twentieth century and to parse out the consequences of such a system at the most local level. Indeed, it is in the economic, physical, political, and social changes produced by nonprofit activities, that the results of this new funding system are most visible.

To the extent that the historical literature addresses the role of the nonprofit sector and the entry of public funding in the 1960s, work remained focused at the national level.<sup>5</sup> Michael Katz has written extensively about the coexistence and co-evolution of the public and private sectors in the American welfare state.<sup>6</sup> Yet, for the breadth Katz gains in tracing three centuries of American political and social history, he sacrifices a close look at how these welfare systems have shaped local to communities. Economists, political scientists, and sociologists have, thus far, been far more likely to traffic in research on the nonprofit sector.<sup>7</sup> While useful for their theories, data, and contemporary portraits of nonprofits, these works lack a historical explanation for why and how the nonprofit sector became and remained such a dominant entity in urban development, governance, and service provision. Therefore, my project takes these starting

points and adds a historical dimension to create a more comprehensive examination of the roots of the modern nonprofit sector and its evolving position in the public-private welfare state.

This project focuses on Boston, Massachusetts and traces the history of the city and its nonprofits over four decades from 1960 to 2000. Fortunately, archival records in Boston exist that capture the administrative, financial, and programmatic functions of nonprofits active during this period. Yet nonprofits did not act or could not act alone. Equally important are the records of various philanthropic foundations that also supported nonprofits. Thanks to the recent acquisition of the records of the Ford Foundation by the Rockefeller Archive Center (RAC), I was able to trace the relationship between the Ford Foundation and a core cluster of Boston nonprofits in a variety of service areas. Some of these grants were small one time investments, while others constituted a much larger commitment of time and resources. These smaller grants include, for example, a 1968 grant of \$12,500 to the Citizens Housing and Planning Association of Metropolitan Boston for “research and planning for reorganization of governmental housing function in Boston,” and a 1988 grant of \$50,000 to the Dorchester Youth Collaborative to “support [a] youth service program to encourage participation in employment and educational activities.”<sup>8</sup> These smaller grant files reveal much about the day-to-day operations of the grantees, but even more can be gleaned about Boston’s nonprofits and their shaping of the city from records of the Ford Foundation’s long-term engagements and funding initiatives. These constitute the strongest part of the Ford Foundation records. Two Ford grantees, Action for Boston Community Development (ABCD), founded in 1962 and the Local Initiative Support Corporation (LISC), founded in 1979, had particularly strong relationships with the Ford Foundation and received funding upwards of ten million dollars each over the duration of the relationship. Not surprisingly, with a heavier investment of funds came a more intimate working

relationship between funder and grantee. These two collections tell rich stories about two nonprofits and reveal the evolution of a sector in constant motion.

Dual portraits of ABCD and LISC exhibit two different prescriptions for urban poverty and two formulas for blending public and private resources. Both considered partnerships between public and private actors as critical to success, but where ABCD prioritized government funding in the 1960s and 1970s, LISC turned to the private corporate sector for its primary support in the 1980s. Each a product of the historical moment in which they were launched, these two organizations emphasized different funding streams based on the availability of funds and on efforts to maintain organizational stability. Partially as a reflection of their revenue streams, ABCD and LISC also differed in their strategies for urban development and service provision. ABCD employed government grants to focus on the social development of poor people through improved education, job training, legal services, and individual counseling. LISC, on the other hand, leveraged loans and tax incentives to focus on the physical and economic development of poor neighborhoods through housing construction, the acquisition and rehabilitation of derelict buildings, and the development of local business. Interestingly, both ABCD and LISC sub-granted the monies they received to a network of nonprofits that then implemented programs and projects for urban development. For their shared commitment to improving Boston's neighborhoods, these two organizations adopted different strategies and models that reflect larger trends in the nonprofit field as the relationship between public and private continued to play out on the ground.

### **Action for Boston Community Development: Public Grants for Social Renewal**

Though it formally launched in 1962, the idea behind Action for Boston Community Development (ABCD) began in 1961 at the Union Club in Boston, where civic leaders joined

Boston's new Development Administrator, Ed Logue, for lunch.<sup>9</sup> Based on his reputation at the New Haven Redevelopment Authority, Boston Mayor John Collins had brought Logue from New Haven to Boston to lead and direct the city's urban renewal program earlier that year. With heavy public investment in the physical renewal of Boston's downtown and neighborhoods, the lack of attention to social renewal troubled those concerned with human development, Logue chief among them. These men decided to launch a new organization, one without the history or reputation of existing organizations, to attend to "the human side of urban renewal."<sup>10</sup> First called the Boston Community Development Program (BCDP), the group applied to the Permanent Charity Fund of Boston for planning funds and launched conversations with program officers at the Ford Foundation. The fledgling group, incorporated as Action for Boston Community Development in 1962, also sought to attract funding from the President's Committee on Juvenile Delinquency and Youth Crime.<sup>11</sup> Indeed partnering with public agencies became central to the mission of ABCD. One strategy memo highlighted the "importance of bringing the public and private agencies concerned with the same problem together for consultation and discussion."<sup>12</sup> Interest in this federal program drove an emphasis on youth and education in the programming and planning of the organization. Narrowing its programmatic focus to a limited focus on youth from its stated broad goal to "encourage and promote the improvement of community life in the Boston area," became the first of many shifts ABCD made to appeal to a federal grant program.<sup>13</sup>

The planning group that launched and advised ABCD as the Board of Directors built the organization to oversee demonstration projects operated by other organizations around Boston. ABCD itself was never supposed to run programs. As one grant report to the Ford Foundation explained, ABCD "was determined to serve as a stimulus and resource to other organizations and

agencies and to cooperate with them in the development of new programs, but not itself to function as a direct-service agency.”<sup>14</sup> Yet developing, partnering and launching programs at other sites proved far more complicated and resource laden than ABCD had anticipated. ABCD had, it admitted to the Ford Foundation, “grossly underestimated” their work.<sup>15</sup> Tensions with partner agencies signaled that ABCD frequently failed in its goal to “tread a thin line between guidance and recommendation, on the one hand, and outright supervision and control on the other.”<sup>16</sup> Yet obligations and contract stipulations with private and public agencies required that ABCD carefully manage sixteen different demonstration projects scattered around the city including: “pre-kindergarten, reading, guidance, school adjustment counseling, tutoring, home-school relations, ability identification and development, work-study, scholarship, summer camp, summer campus programs,” youth job training, three multi-service centers, and a legal services program.<sup>17</sup> Taken together, these programs constituted what ABCD called an “action-research project” in its application to the federal government and represented an all-out assault on social issues—what ABCD considered the root causes of poverty.<sup>18</sup>

Money from the Ford Foundation proved integral to running ABCD, but government grants and contracts rapidly expanded the administration, budget, and programs of the fledgling organization. Following the model of the President’s Committee on Juvenile Delinquency of 1963, Lyndon Johnson’s 1964 Great Society and War on Poverty legislation created federal grant programs to support local initiatives, including pre-school Head Start programs, job training, community organizing, and anti-poverty planning. With an opportunity to bring more federal resources into his city, Mayor Collins designated ABCD as the principal anti-poverty agency in Boston for federal grant programs in 1964.<sup>19</sup> By 1965 ABCD operated on a seven million dollar budget, built mostly by contracts from the Office of Economic Opportunity (\$4.7 million), U.S.

Department of Labor (\$1.5 million), and the U.S. Department of Health, Education, and Welfare (\$600,000).<sup>20</sup> It was under the weight of these federal grants that, in the opinion of a Ford Foundation program officer, “difficulties set in.”<sup>21</sup> Tensions within the staff, partner agencies, and the community were exacerbated by a series of unflattering newspaper articles about ABCD, alleging the misappropriation of federal monies by the Neighborhood Youth Corps. The U.S. Department of Labor immediately froze funds in the fall of 1965, a move that the Ford Foundation had already taken in June 1965, following its persistent “dissatisfaction with ABCD’s fiscal and administrative procedures.”<sup>22</sup> Both funders continued funding the organization following their investigations, though the Ford Foundation moved cautiously by releasing funds in small increments. Ford Foundation program officers hoped that, “while the bulk of ABCD’s funds will come from the federal and city governments, the funds from the Ford Foundation would help ensure that ABCD could indeed be more than the common denominator of local and national agency interests.” By 1973 ABCD’s annual budget had ballooned to twenty million dollars, and while the Ford Foundation continued its support, public contracts indeed accounted for the bulk of the organization’s revenue.<sup>23</sup>

The rather unflattering portrait of ABCD’s financial and administrative capabilities reflected in the Ford Foundation records, threaten to obscure the important work the organization achieved in Boston’s neighborhoods and the resources it brought into the city. By 1966, ABCD reported to the Ford Foundation that, with its partner agencies the organization had established thirteen low-income credit unions in Boston and involved over five thousand individuals in cooperatives to buy food, furniture, and appliances.<sup>24</sup> ABCD sponsored Head Start agencies that served an estimated five thousand, eight hundred and sixty-five children between 1965 and 1968.<sup>25</sup> By June 1968, the Manpower division of ABCD employed over three hundred fifty

Bostonians and averaged five hundred placements a month for men, women and youth seeking employment, and job training.<sup>26</sup> Twenty-four attorneys working through the legal services division of ABCD assisted low-income clients in twelve neighborhood offices.<sup>27</sup> Despite these very real gains on the ground for individuals, from an organizational standpoint, ABCD struggled to maintain accurate and consistent accounting practices, faced funding shortages, and battled negative press reports. Yet even with a weak organization, ABCD managed to channel millions of public dollars into Boston neighborhoods. So long as ABCD continued to win federal contracts and public dollars moved into community programs, the funding occluded problems of organizational health. These issues, however, continued to linger just beneath the surface of ABCD's initiatives throughout the 1960s and into the 1970s. The true challenge would arise for ABCD and other nonprofits similarly dependent on the constant and consistent flow of federal dollars when the streams of public funding dried up.

### **Local Initiatives Support Corporation: A Private Solution for Physical Development**

In contrast to ABCD's origins in conversations among Boston's civic elite, the Local Initiative Support Corporation (LISC) began as a Ford Foundation program or "Foundation Administered Project" that eventually incorporated as an independent nonprofit in 1979. Both Ford and its progeny LISC maintained New York based headquarters, but invested in CDCs around the nation.<sup>28</sup> Ford Foundation program officers began the project that eventually became LISC in 1971 as a pool of funds available for technical assistance for "minority and economic development grants and investments."<sup>29</sup> Each year new funds were added to the project in installments ranging from \$25,000 in 1974 to up to \$800,000 in 1973.<sup>30</sup> Program officers then distributed these funds in small grants to community development corporations (CDCs) around the country to strengthen their management and financial operations and to boost their capacity



to take on complex development projects.<sup>31</sup> During this time CDCs emerged as the drivers of neighborhood economic and housing development. Where anti-poverty groups like ABCD focused on the social renewal of neighborhoods, CDCs around the nation focused on the physical renewal. Throughout the 1970s, housing development became increasingly central to the activities and funding of CDCs. Though the Ford Foundation provided funds for CDCs through a special funding pot to help them navigate the complex waters of housing finance and accounting, it was clear to the program officers that while a promising model, CDCs needed greater assistance than individual grants could provide.

What differentiated LISC from other nonprofits was that it pivoted toward the private sector, rather than the public sector, as a principal source of funding. Certainly foundation support—particularly that from the Ford Foundation—was central to LISC’s operation, but where ABCD saw public support as central to its operations, LISC viewed private, primarily corporate dollars as essential to their field of community development. The Ford Foundation launched LISC at a moment when, as an internal policy memo outlined, there existed “a belief in and out of government that, for now, public resources to assist local development have probably reached their limit.”<sup>32</sup> Yet this also appeared to be a moment, according to LISC staff, when private corporations seemed to have both a “growing sense of social responsibility” and an “enlightened self interest” that investments in urban community development might not just be charity, but a sound investment strategy.<sup>33</sup> In justifying a grant to LISC, Ford Foundation program staff explained that “corporate America’s efforts to revitalize deteriorated communities can reach well beyond charity and into the realm of investment.”<sup>34</sup> With a climate of declining public dollars, but potentially increasing corporate dollars for community development, LISC

saw its “most important role” as helping “forge wherever possible a productive and continuing alliance between community organizations and the local and national private sector.”<sup>35</sup>

The private corporate sector loomed large, not just in LISC’s partnerships and funding strategy, but also in its vision of how to strengthen the community development sector. Rather than funding operations and programs, LISC’s “primary approach” to community development centered on aiding “organizations in increasing and safeguarding their real assets.”<sup>36</sup> Taking a long-term view of community development, LISC’s strategy, as detailed in internal memos, recognized that “an overdependence on fundraising alone inhibits long-range planning, discourages investments, and reduces the prospects for effective fiscal management.”<sup>37</sup> Yet, the memo continued, such long-range planning and predictable revenue proved “essential to the more complicated, and often more expensive fields of physical and economic development.”<sup>38</sup> As a result of this thinking, LISC adopted a primary strategy focused on aiding CDCs with individual development projects “that produce equity and revenue for the organizations that sponsor them.”<sup>39</sup> Such directed attention to what LISC policy guidelines referred to as the “asset side of the balance sheet” made LISC a pioneering nonprofit that saw financing and the use of capital as “a means, and a practical one, to the end of overall organizational growth.”<sup>40</sup> Again, in an effort to steer CDCs away from what they saw as the unreliable funding strategy of public sector grants and contracts, LISC aimed to “encourage and support . . . business discipline necessary to raise and invest their own funds most effectively.”<sup>41</sup> The development of “revenue-generating projects” for CDCs emerged as the key means for LISC to attempt to improve the community development field, and, by extension, urban communities.

To achieve the goal of boosting the asset base of CDCs through the support of individual development projects, LISC developed what they called their four principal “vehicles of

assistance:” loans, loan guarantees, grants, and technical assistance.<sup>42</sup> Among the available options, loans and loan guarantees emerged as the preferable means of assistance, because a loan or loan guarantee “can serve to leverage a much larger pool of funds from private lenders,” according to LISC strategists.<sup>43</sup> Initially, LISC operated as a single funding pool, capitalized with ten million dollars from “six major insurance, industrial, and banking firms, the Charles Stewart Mott Foundation and the Ford Foundation” that directed grants around the country.<sup>44</sup> One year into operations, LISC launched an “areas of concentration” program that created locally-based capital pools of funding to direct corporate funding to specific cities.

Boston emerged early as a target area for LISC funding and support—both for the strength of its existing CDCs and for the availability of private funds interested in entrepreneurial investment strategies. The first round of funding initiated by LISC in 1981 raised \$804,000 for the city. In this initial pool both banks and foundations contributed funds, but the largest gift by far was \$500,000 from the Permanent Charity Fund of Boston. Grants of \$25,000 each from Shawmut Bank of Boston and John Hancock Mutual Life Insurance were far more typical for corporate investors.<sup>45</sup> By the end of 1984, LISC and its partners had invested \$2,545,838 in Boston (\$1,882,737 in loans and guarantees, plus \$663,101 in grants).<sup>46</sup> In comparison to other areas of concentration, Boston ranked third for LISC support, outpaced only by California and Chicago (each over the three million dollar mark). That Boston ranked so highly reflected both the availability of private capital in Boston, and the apparent promise of the return on investments from the earlier successes of preexisting community development activities.

Consistent with LISC’s strategy, Boston CDCs received a combination of grants and loans—often with a single organization receiving both loans and grants to support development projects. For example, the Dorchester Bay Economic Development Corporation (DBEDC)

received a loan of \$115,000 from LISC as “bridge financing to cover costs during construction” of a four story 20,000 square foot commercial building in Dorchester that the CDC had acquired and planned to rehabilitate in 1983.<sup>47</sup> Dorchester Bay also received a grant from LISC of \$11,250 to “pay for a portion of the project manager’s salary.”<sup>48</sup> A year after DBEDC received the bridge loan, a commercial tenant had moved into the new facility and repayment on the loan had begun with an expectation of full repayment by 1985.<sup>49</sup> Other funding supported the construction of affordable housing. A 1980 loan of \$250,000 to Inquilinos Boricuas en Accion (IBA) contributed to the twelve million dollar cost of a project to construct one hundred ninety units of affordable housing under the HUD Section 8 program.<sup>50</sup> By 1983, IBA had completed construction, rented out all units, and used rental income to repay the loan in full with eight percent interest. To further IBA’s potential to develop commercial and residential properties, LISC made several grants between 1981 and 1983 to IBA to “assess IBA’s overall operations and management,” to develop “a business plan for IBA’s economic development division,” and to “expand IBA’s capabilities in commercial real estate management and development.”<sup>51</sup> These individual grants and loans increased the availability of affordable housing in Boston and boosted the capacity of CDCs to continue to produce more housing and commercial opportunities in struggling neighborhoods.

The IBA project in 1981, known as Viviendes II, was among LISC’s first successfully completed and repaid loans. It became a signature project on which LISC proved its model. As LISC boasted in its annual report, the full repayment of the loan to IBA “demonstrat[ed] that when social investments are properly structured and secured they can return in full principal and interest to the lender for reuse in future projects.”<sup>52</sup> This realization that loans to nonprofit entities and investments in affordable housing could be repaid with interest flew in the face of

philanthropy and public grants/contracts that dominated in the 1960s and 1970s. Assessing the early years of LISC's performance, one outside evaluator described the organization as having "an undeviating commitment to the most impoverished communities in America, but is not interested in giving money away."<sup>53</sup> Indeed, this was not a group interested in being equitable with its resources, but instead was interested in strategy, results, and organizational strength. Continuing, the evaluation labeled LISC in the following direct way: "It unabashedly 'creams.' It takes the best deals. It rarely spreads the wealth around. If it wins with a community group, it goes back to them. It feels no obligation to be 'fair.'"<sup>54</sup> With the novelty of the LISC program and its loans to community groups, the evaluator commented, "The original surprise in LISC is that the business works at all. The biggest surprise is that it works so often."<sup>55</sup> As LISC's president wrote to a Ford Foundation program officer that the experiment in LISC had, to the surprise of many, proved the possibility that corporate dollars could "reach well beyond charity and into the realm of investment."<sup>56</sup>

LISC's asset based strategy for supporting CDC activity and its reliance on private corporate funding was not entirely without challenges. Certainly LISC had steered CDCs away from a dependence on public funding during a time of contracting government grants. Indeed, LISC, and a few other organizations like it, managed to reshape the community development field, draw corporate funding into urban housing and economic development, and provide technical assistance to build the capacity of CDCs to manage real estate assets, but, was a strategy based on real estate acquisition any more insulated from swings in the economy? Such a strategy required a stable real estate market and easy access to credit. In the 1980s and 1990s, these two key ingredients appeared to be a sure thing—but, then again, the constant flow of government grants appeared to be a sure thing to ABCD in the 1960s. A reliance on asset

acquisition left many CDCs with little cash and a need to keep new projects in the pipeline to support staff and overhead costs associated with running the organization. In the end, LISC's strategy had successfully boosted the asset base of CDCs, but failed to insulate these community development groups from financial shortfalls.

The assumptions behind both ABCD's and LISC's models of urban development proved misleading as a near singular focus on either public or private funding tied nonprofit organizations, and by default, neighborhood stability, to swings in politics and the economy. Indeed, even while an unwavering commitment to improving urban communities remained constant, most aspects of nonprofits changed between the 1960s and 1980s. These two cases reveal a sector in motion trying to adapt to shifting funding environments and experimenting with different means of improving urban communities. Further research into the communities these groups served is necessary to fully evaluate the local consequences of charging private nonprofits with public funds and responsibilities for urban development. Nevertheless, records at the RAC, notably the Ford Foundation Papers, constituted a critical first step in this historical evaluation.

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## ENDNOTES:

<sup>1</sup> Michael Katz, *In the Shadow of the Poorhouse: A Social History of Welfare in America*. New York: Basic Books, 1986.

<sup>2</sup> As Peter Dobkin Hall notes, the term “nonprofit” is itself a bit of a neologism invented in the immediate postwar period to classify organizations falling under certain sections of the tax code. It is often used interchangeably with terms such as: *independent sector*, *not-for-profit*, *non-profit*, *third sector*, and *charitable organization*. At its broadest, nonprofit refers to the section 501(c) section of the tax code that includes charitable organizations, political parties, unions, religious organizations, foundations, and mutual benefit associations, among others. However, most uses of the term refer to organizations classified under section 501(c)3 and section 501(c)4. Section 501(c)3 refers to organizations and foundations pursuing charitable, religious, educational, literary or scientific ends. Section 501(c)4 refers to nonprofit organizations that conduct advocacy and lobbying, either through their personal efforts or transfers of money. However, the ambiguity of the term and the changing tax codes makes quantifying the nonprofit sector challenging. For more on the nonprofit tax code and challenges of quantification, see Peter Dobkin Hall, “A Historical Overview of Philanthropy, Voluntary Associations, and Nonprofit Organizations in the United States, 1600-2000.” In W. W. Powell, and R. Steinberg, editors, *The Nonprofit Sector: A Research Handbook*. New Haven, Connecticut: Yale University Press, 2006, pp. 32-65.

<sup>3</sup> Peter Dobkin Hall estimates that the number of charitable tax-exempt entities grew from 32,000 in 1950, to 138,000 in 1969 and 260,000 in 1976 and 484,000 in 1990, p. 52. Peter Dobkin Hall, “A Historical Overview of Philanthropy, Voluntary Associations, and Nonprofit Organizations in the United States, 1600-2000.” In W. W. Powell, and R. Steinberg, editors, *The Nonprofit Sector: A Research Handbook*. New Haven, Connecticut: Yale University Press, 2006, pp. 32-65.

<sup>4</sup> Though the federal grant-in-aid programs began in the nineteenth century, Lester Salamon notes how this “classic instrument ... has mushroomed into a massive system of inter-organizational action.” Between 1955 and 1995 grant-in-aid funding increased twenty-six fold, and in 1979 such funding mechanisms represented seventeen percent of all federal budget expenditures and over forty percent of all domestic spending. In addition to growing the grant-in-aid program, new entities became eligible for grants (cities, counties, nonprofit organizations, and corporations) where previously only states had been eligible for federal grants. New financial mechanisms such as loans and tax subsidies and new grant-in-aid programs (project grants, block grants, etc.) also emerged. Lester Salamon, *Partners in Public Service: Government-Nonprofit Relations in the Modern Welfare State*. Baltimore, Maryland: Johns Hopkins University Press, 1995, pp. 19-20.

<sup>5</sup> See, as the most recent example, Olivier Zunz, *Philanthropy in America: A History*. New Jersey: Princeton University Press, 2011.

<sup>6</sup> Michael Katz, *In the Shadow of the Poorhouse: A Social History of Welfare in America*, *The Undeserving Poor: From the War on Poverty to the War on Welfare*. New York: Pantheon Books, 1989; *The “Underclass” Debate: Views from History*. New Jersey: Princeton University Press, 1993; *The Price of Citizenship: Redefining the American Welfare State*. New York: Metropolitan Books, 2001; and *Why Don’t American Cities Burn?* Philadelphia: University of Pennsylvania Press, 2012.

<sup>7</sup> See, for example: Peter Dobkin Hall, “A Historical Overview of Philanthropy, Voluntary Associations, and Nonprofit Organizations in the United States, 1600-2000.” In W. W. Powell, and R. Steinberg, editors, *The Nonprofit Sector: A Research Handbook*. New Haven, Connecticut: Yale University Press, 2006; David Hammack, *Making the Nonprofit Sector in the United States: A Reader*. Bloomington, Illinois: Indiana University Press, 1998; Elizabeth Clemens and Dough Guthrie, editors, *Politics and Partnerships: The Role of Voluntary Associations in America’s Political Past and Present*. Illinois: University of Chicago Press, 2010; Nicole Marwell, *Bargaining for Brooklyn: Community Organizations in the Entrepreneurial City*. Illinois: The University of Chicago Press, 2007; Lester Salamon, *Partners in Public Service: Government-Nonprofit Relations in the Modern Welfare State*. Baltimore, Maryland: Johns Hopkins University Press, 1995; Norman Silber, *A Corporate Form of Freedom: The Emergence of the Modern Nonprofit Sector*. Boulder, Colorado: Westview Press, 2001; Steven Rathgeb Smith and Michael Lipsky. *Nonprofits for Hire: The Welfare State in the Age of Contracting*. Cambridge, Massachusetts: Harvard University Press, 1993.

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<sup>8</sup> “Program Action, No: 690-0046,” Ford Foundation grant to Citizens Housing and Planning Association of Metropolitan Boston, Inc, Grant 069046, Reel 1588, Ford Foundation Records (FF), Rockefeller Archive Center (RAC); “Memo to Susan V. Berresford from Craig Howard, August 29, 1988,” Ford Foundation grant to Dorchester Youth Collaborative, Grant 08851112, Reel 6200, FF, RAC.

<sup>9</sup> For more on ABCD during its early years see: Stephan Thernstrom, *Poverty, Planning, and Politics in the New Boston: The Origins of ABCD*. New York: Basic Books, Inc., 1969.

<sup>10</sup> “Action for Boston Community Development, Report to the Ford Foundation for Period Ending September 30, 1963.” Ford Foundation grant to Action for Boston Community Development (ABCD), Grant 0620457, Reel 2633, FF, RAC.

<sup>11</sup> The 1961 Presidential Committee on Juvenile Delinquency and Youth Crime gave experimental grants to public and private agencies—primarily nonprofit organizations—to try to lower rate of youth crime. This strategy was extended and made most visible in the 1964 Economic Opportunity Act, the hallmark piece of legislation in the War on Poverty.

<sup>12</sup> “The Boston Program,” ABCD, Grant 0620457, Reel 2633 Frame 1214, FF, RAC.

<sup>13</sup> Articles of Incorporation as quoted in “Action for Boston Community Development, Report to the Ford Foundation for Period Ending September 30, 1963,” ABCD Grant 0620457, Reel 2633, FF, RAC.

<sup>14</sup> “A Report on ABCD Activities September, 1963-August 1964 to the Ford Foundation and The President’s Committee on Juvenile Delinquency and Youth Crime.” ABCD Grant 0620457, Reel 2633, FF, RAC.

<sup>15</sup> *Ibid.*

<sup>16</sup> *Ibid.*

<sup>17</sup> *Ibid.*

<sup>18</sup> Action for Boston Community Development, “The Boston Youth Opportunities Project: A Report and Proposal,” December 1963, ABCD 63/3, Government Documents, Boston Public Library, p. 50.

<sup>19</sup> “Grant Request—Public Affairs May 6, 1966” ABCD Grant 0620457, Reel 2633, FF, RAC.

<sup>20</sup> *Ibid.*

<sup>21</sup> *Ibid.*

<sup>22</sup> *Ibid.*

<sup>23</sup> “Summary of Significant Accounting Policies,” ABCD Grant 0620457, Reel 2633, FF, RAC.

<sup>24</sup> “Two Years of Action for Boston Community Development: A Progress Report June 1966-June 1968,” ABCD Grant 0620457, Reel 2633, FF, RAC.

<sup>25</sup> *Ibid.*

<sup>26</sup> *Ibid.*

<sup>27</sup> *Ibid.*

<sup>28</sup> Both Ford and LISC focused CDC investments in cities, but in 1983 began a rural strategy for investing in CDCs. See. “A Review of LISC Program Activities, June 1980-December 1982.” LISC, Grant 08000010, Reel 5487, Frames 2100-2101, FF, RAC.

<sup>29</sup> “Program Action, No: 719-480.” Ford Foundation grant to LISC, Grant 07190480, Reel 4979, Frame 1855, FF, RAC.

<sup>30</sup> *Ibid.*, frames 1851 and 1853.

<sup>31</sup> For background on community development corporations, see: James DeFillipis and Susan Saegert, editors, *The Community Development Reader*. New York: Routledge, 2008; and Neal R. Peirce and Carol F. Steinbach, *Corrective Capitalism: The Rise of America’s Community Development Corporations*. New York: Ford Foundation, 1987.

<sup>32</sup> “A Statement of Policy for the Programs of the Local Initiatives Support Corporation,” March 12, 1981, LISC Grant 08000010, Reel 5488, Frame 1089, FF, RAC.

<sup>33</sup> *Ibid.*

<sup>34</sup> Recommendation for Grant Action, May 17, 1984. LISC Grant 08000010, Reel 5488, Frame 2277, FF, RAC.



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- <sup>35</sup> “A Statement of Policy for the Programs of the Local Initiatives Support Corporation,” March 12, 1981, LISC Grant 08000010, Reel 5488, Frame 1089, FF, RAC.
- <sup>36</sup> Ibid.
- <sup>37</sup> Ibid.
- <sup>38</sup> Ibid.
- <sup>39</sup> Ibid.
- <sup>40</sup> Ibid.
- <sup>41</sup> Ibid.
- <sup>42</sup> “Operating Guidelines for Programs of the Local Initiatives Support Corporation.” LISC Grant 08000010, Reel 5488, Frame 1093, FF, RAC.
- <sup>43</sup> Ibid.
- <sup>44</sup> “Highlights, June 1980 to September 1982.” LISC Grant 08000010, Reel 5488, Frame 976, FF, RAC.
- <sup>45</sup> “Status of Donor Funds, December 31, 1983.” LISC Grant 08000010, Reel 5487, Frame 2017, FF, RAC.
- <sup>46</sup> “Summary of Approved Program Actions,” December 31, 1984, LISC Grant 08000010, Reel 5488, Frame 12, FF, RAC.
- <sup>47</sup> Ibid, frame 16.
- <sup>48</sup> Ibid.
- <sup>49</sup> Ibid.
- <sup>50</sup> Ibid.
- <sup>51</sup> Ibid.
- <sup>52</sup> “Boston: Programs and Progress.” LISC Grant 08000010, Reel 5488, Frame 854, FF, RAC.
- <sup>53</sup> Letter to Norbone Berkeley, Jr. March 1, 1985 from Isaacson, Ford, Webb, & Miller, LISC Grant 08000010, Reel 5488, Frame 1398, FF, RAC.
- <sup>54</sup> Ibid, frame 1400.
- <sup>55</sup> Ibid.
- <sup>56</sup> Letter to Bernard McDonald from Mitchell Sviridoff, February 24, 1984, LISC Grant 08000010, Reel 5487, Frame 1930, FF, RAC.