

COMMUNITY FOUNDATION  
MEMORANDUM #7

BIBLIOTECA  
EL SOLEGIO DE MEXICO

FROM: Milton Kotler, Institute for Policy Studies, Washington  
SUBJECT: Community Organization in a Clientele Society\*

What I wish to suggest to returning Peace Corps volunteers about the work of service in local community rests on a view of our transforming society, the sources of its current violence and pathology, and the emerging directions toward adjustment and social peace.

Community organization, if properly understood, is central to current conflict and change. Your understanding of its expression and possibilities, and your commitment to its service, can contribute to a difference in outcome. Let me explain.

The principal basis of social exchange in American society is shifting from production to service. The middle class is becoming an administrative class of service professionals. Wage, not property, is the basis of its reward. Correspondingly, the lower class is being transformed into a class of permanent dependents. The basis of their reward is the value of their dependency. Clientelism is becoming the major exchange principle of social interactions in the society.

The current violence and social pathology in the society is essentially related to the inequities of current exchange distributions in our service system. The poor are made to give more than they receive. For the despair of permanent dependency, the expropriation of its land or turf in the core city (for the sake of housing and universities for the middle class professionals that serve them) they receive a miserly dole and moral abuse.

In return for client service the middle class service professional receives secure position, income, control, city space, and improved public facilities. For these pleasures received he gives less than full value, for he is constantly reinforcing the benefits of his position by defining new depths of dependency for expanded and continuing service. His return is exploitative.

This fundamental inequity of exchange in the clientele system is an important basis of protest and violence in the society. Community organization not only expresses these inequities, but it also pressures for correction. Such protest through the form of community organization responds to the social basis of service exploitation. In order to understand the vitality and emerging social form of community organization, we must examine the severity of that basis.

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The basis of service exploitation is: (1) Corporate organization of professional association; (2) State-granted monopoly privileges to professional organization for governing and controlling public institutions and public service (licensing powers, certification, accreditation, disbarment, corporate immunity from civil actions, etc.); (3) Failure to develop corporate responsibilities for this exercise of monopoly privilege. For example, if the medical association has monopoly power to set standards and certify doctors, why should the association not be liable in actions for medical negligence? (4) Since professional corporate monopolies are not restrained by corporate liabilities, they use monopoly powers and privilege to aggrandize power on the backs of the clientele.

Thus the basis of service inequity rests on corporate organization, its legal monopoly relation to the state, and the absence of legal relationship between client and professional corporate bodies. In the absence of a basis of liability, what passes is not service, but power and domination.

It is to the monopoly power of professional corporatism that community organization is responding. The interest of the poor is not to eliminate service exchange and client status but rather to articulate and develop its greater equity. The service must become more real and pertinent to their needs. Its performance must principally benefit them rather than the professionals. There must be new kinds of service, responsive to their own understanding of their problems. Such expansion and variety of service requires the expansion and enrichment of public institutions. Necessarily the poor must participate through their own expression and decision in these new social inventions, along with the professionals. Community organization can serve this creative purpose.

Community action, through community organization, performs these two functions. On the one hand, protest identifies the inequities; on the other hand, community enterprise invents and points the way to new kinds of real service and new types of public institution.

The effective form for these activities of protest and social invention is community association. From community forum to developing group life, community association will ready the community for decision and action. Action on decisions for community enterprise then will move community organization naturally closer to a corporate form. Thus, community organization, through talk and action, gradually develops into Community Foundation, as self-governing corporate polities of community with expanding capacities, social powers, and state privileges.

Community organization, properly understood, is the democratic emergence through equality of corporate polities, as the only basis of defense against the privileged corporate bodies of professional service. So long as the clients remain isolated and atomized, they are defenseless against professional corporatism. As individuals they cannot bargain and pressure them; as individuals they cannot sue such bodies. The dynamics of the growth and action of Community Foundations holds the possibility of equitable exchange and amity in the society.

To those familiar with Galbraith's theory of countervailing power, such development is not original. The problem of inequitable privilege and the process toward countervailing has simply shifted from production to service exchange. Its success in the present case rests on the strength of the internal relationships and social power within community organizations. In this strength lie the possibilities of direct legal relation to the state, matching the privileges of professional corporatism. Only under such a balanced condition can the state act to mediate the corporate disputes of territorial community and occupational class.

This is the basis today, as well as the future hope, for amity in the society. While service inequity is today's problem, there is no necessary deterrent to its equitable adjustment in a society of product abundance and public starvation. The great needs of public life do not raise any limit short of involving everyone in the course of equalizing service and benefit. People today are seeking association for the value and utility of group life. The strength of this group search is for equalization, not domination. And there is no evidence of teleological fictions of class warfare to obstruct the process of enlarging and intensifying amity in our national society.

There are big and obvious questions I come to before stopping. Namely, what kinds of privileges can community foundations, as corporate bodies of client community, get from the state? How can community organization develop a stable and important basis of enterprise and benefit, in order to enlarge its social power and prepare for corporate relation to the state? Let alone the simple question, How should it begin? What is the right way to start community organization?

I've been working on such questions in thought and practice in the field, gradually augmenting the idea and process of Community Foundation by thoughts of strategy, theory, counsel, vision, rhetoric, etc. But today, my interest is only in extending a perspective, or meaning of community organization, as it continues to accelerate each year into a corporate movement seeking to equalize and fulfill the service exchange system which promises to further civilize American society.

This perspective is enough to make sensible a suggestion to the returning Peace Corps volunteers as they examine their continuing service role in the society. I could begin by asking you to pick your side. Will you, as middle class people, throw in your lot with professional corporatism, or help nurture the growth of democratic, self-governing corporate polities among the poor? If you should choose the latter, not only for good sentiment, but also with good sense to realize that only counter-vailing power can bring peace and pleasure to a clientele society--then I ask: How are you to help, as an outsider? What boss of yours would make the poor invite or welcome your presence into their group life; effectively, that is, not from fear or polite sufferance. This is no easy problem, because at the heart of the matter the community organization movement is antithetic to central social planning by any agency or directive--just as management could not plan labor organization.

But there are things that the poor need, and which you might be able to offer, unencumbered by a boss. They need money. But that, I hope, the Church will give, in return for re-discovering parish community. They also need technical advice and social judgment to help build the new kinds of services which they decide upon themselves--with your comment if invited. As they grow to trust you, in your time of great patience, who knows but that they may grow to love you and, like the Indians, feel you a blood brother--a person they would miss when meeting together. To achieve this status of personal service would be not only a personal success, but the very height of character in a society of service exchange. In short, to reach this point is the very exemplary act which could set the norms of political culture for the coming society.

Your next obvious step could be the job of then wisely guiding the corporate articulation of community foundation, bringing to it further legal, associative, financial, ownership, etc. capacities. Not to mention tax exemption of its property ownership, just like the Church, University and Educational Foundation. With the articulation of the corporate form of the community foundation, and its further empowerment through new capacities, you can help lead its group life and internal relations into a richer social enterprise--community foundation schools, corporate housing, a self-governing community foundation health center, and maybe a zoo. As corporate community enterprises, rather than professional contrivances, rest assured that these institutions will be different kinds of health centers than our public hospitals. For a hospital is, who owns it. They will be different kinds of schools than today's standard public fare. Look at the Mississippi Freedom Schools, and their great possibilities through political education. And why not a school for all ages? Or think also of possibilities of education on community-owned property, which the kids could actually touch, move, change, and form. It could be education as a plastic art.

Think then of the alliances and association of community foundations, and the endless varieties of activity which their different mutual relationships could develop. Not mere alliance, but association strengthened by the compounding of social powers and legal capacities.

As things grow and associations of community foundations develop, exchange between community corporatism and professional corporatism will build. Then community foundation will be ready for state privileges, legal equivalence, and state mediation. The process can continue to furthering the equalization of exchange and enrichment of the social world through public enterprise and public institution. With your own nearness to government from past service, rather than any current embrace, you can serve the poor to get those privileged relationships with state.

Enough of this problem, the emerging process, and your possible role. I will end with a simple project recommendation.

Whether you are young or old, start a non-profit corporation among your likeminded, and become Opportunity Associates, expert in the techniques of different services. Be either specialists in hospital care, or fill out your corporation with different talents in carpentry, education, film-making, cooking, construction, etc. Get your money or grants from the Poverty Program. Your purpose, as in the Peace Corps abroad would be to act as a third force, not tied to the professional monopoly structure, nor resident in the client community. Your interest would be to build the peace, by doing the necessary job of helping community organization independently build its powers and privilege into countervailing power for state mediation. Develop a corporate code and standard so that you can kick out the opportunists among you. Though as for career and future, you needn't worry. If you do your job well, you are preparing for a continuing role in the future as a social impressario of equitable exchange and social harmony. If you should return to the University, start student corporations with sympathetic faculty to assist community organization by personal and group service. In doing this and learning as a student of social practice, you may even serve to transform the university into a publicly responsible institution with a good imprint on society rather than its current mark of bulldozed devastation. There are many possibilities if you put your work to where it's needed--for your own joy and the sake of our tranquillity.