

**Hollow State Politics:  
Bureaucratic Autonomy and Social Welfare Policy\***

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The social services sector is currently the domain of an entrenched hollow state. As Milward and Provan (1993) observed, social services are increasingly co-produced by governments, nonprofits, and firms through contracting schemes and public-private partnerships. This hollowing of the state has accelerated in recent years. Since the passage of federal welfare reform legislation in 1996, diminished funding for direct cash assistance has been replaced by the Earned Income Tax Credit and an ever-growing sector of non-profit service providers (Allard 2009). According to Allard, “the number of employment and human service nonprofits registering with the Internal Revenue Service (IRS) has increased by almost two-thirds since 1990 and revenues for that sector now total about \$80 billion” (2009, 4). Based on the expanding role of nonprofits in social service delivery, Allard argues that “we effectively have privatized a substantial portion of the contemporary safety net” (2009, 31). Although the hollow state is now a widely recognized and studied phenomenon, few researchers have focused on the politics of the hollow state. Politicians are inconspicuous in this literature and bureaucratic managers are focused on forging collaborations, developing networks, and adapting principal-agent relationships to a complex inter-organizational environment. How do bureaucrats, politicians, and advocacy organizations promote political agendas and policy change in the context of the hollow state?

One answer is that hollow state politics is the politics of playing defense. State and local spending on non-health social services per poor person has steadily declined since 2002 (Gais, Dadayan, and Bae 2009). Within government, bureaucrats are focused on managing cuts and damage control, while politicians battle over raising taxes or cutting spending. Human service providers and advocates for the poor have largely operated on defense, working to protect

existing programs and prevent further retrenchment. An organization that exemplifies the defensive agenda is Illinois Partners for Human Services, which is focused on three demands: “No more cuts to human services; Prompt payment for services; No unilateral contract changes.”<sup>1</sup> This agenda raises the immediate concerns of service providers, though it is not likely to form the basis of a broader political coalition.

Yet policy entrepreneurs in several states have adopted a new offensive approach to social welfare policy. These governors, state legislators, bureaucratic agency heads, and advocacy organizations have a shared political frame—poverty reduction and economic opportunity—and a shared set of policy tools, including: poverty reduction targets, state-level anti-poverty commissions, and state poverty summits (Levin-Epstein and Gorselany 2008). The poverty reduction strategy has taken root in several states; eleven states have set targets for reducing poverty by 2020, and since 2008, nine states have held poverty summits.<sup>2</sup> In most states, the poverty reduction agenda was promoted through fairly typical state-level political channels—new state legislation, an executive order from the governor, or the formation of a new state-level council or commission. Although it is too early to gauge the effectiveness of these strategies, the more traditional political levers seem disconnected from the reality of the hollow state. Having eroded the capacity of state and local bureaucracies, governors and legislators are establishing ambitious new anti-poverty targets during a recession.

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<sup>1</sup> <http://www.illinoispartners.org/>; Accessed on February 7, 2010.

<sup>2</sup> <http://www.clasp.org/admin/site/publications/files/StewithPovertyCommissions-1.pdf> Accessed on February 6, 2010.

One state, Michigan, is taking a different approach to developing a poverty reduction agenda. The lead actor promoting this agenda in Michigan is a bureaucratic agency, the Department of Human Services (DHS). The poverty reduction agenda in Michigan has proceeded without an executive order, new legislation, or even proposed legislation; instead, DHS is building its own coalition to focus attention on poverty. This resembles the strategies used by some federal agencies to achieve bureaucratic autonomy in the early 20<sup>th</sup> century (Carpenter 2001). According to Carpenter (2001), bureaucratic autonomy for the Post Office and Department of Agriculture occurred when bureaucrats broke “free from the traditional model of politics and established links directly to citizens” (353). Could Michigan’s DHS forge a new kind of politics around the hollow state, by leveraging the capacity of local service providers and advocates? An added feature of Michigan’s approach is the formation of regional engagement networks for developing plans for poverty reduction. For Michigan’s largest metropolitan area—Detroit—this new structure places the city of Detroit and surrounding suburban counties in the same region. In metropolitan Detroit, there are now more people in poverty living in the suburbs than the central city (Kneebone and Garr 2010). The regional network could offer a new venue for addressing a changing problem.

I begin by discussing the theory of bureaucratic autonomy, considering the opportunities for state-level bureaucratic autonomy due to devolution and organizational networks, as well as the challenges. I briefly describe the strategies to promote anti-poverty agendas in states surrounding Michigan, including Illinois and Ohio, to demonstrate how Michigan’s strategy differs. Then I explain the development of Michigan’s anti-poverty agenda and new regional network structure, applying the concept of bureaucratic autonomy. Finally, I consider the

implications of Michigan's devolution to regional networks for a specific poverty-related challenge at the local level: the changing geography of poverty in the Detroit metropolitan area. Will a new approach to social welfare policy in Michigan facilitate new local responses to the changing geography of poverty?

### **Bureaucratic Autonomy**

The autonomy of a bureaucracy “is premised on its organizational reputation and the networks that support it” (Carpenter 2001, 4). Carpenter’s argument rests on the examples of Progressive era federal bureaucracies, which were able to demonstrate “that they can create solutions and provide services found nowhere else in the polity” (2001, 5). These bureaucracies built their own coalitions of supporters through organizational networks, which lay the groundwork for getting approval from Congress. In the case of the Department of Agriculture, part of this organizational network was based around county-level agricultural extension programs. The USDA had been running agricultural extension programs for more than a decade before Congress passed a bill for this program. Yet Carpenter is uncertain about the likelihood of bureaucratic autonomy emerging today, particularly because the types of organizations that were prevalent during the Progressive era have withered away (Skocpol 2004). According to Carpenter, “The organizational flourishing that was characteristic of Progressive society offers one reason that the patterns of bureaucratic autonomy witnessed in this book are less likely to be observed in contemporary politics” (Carpenter 2001, 365).

Yet the social services sector has experienced considerable “organizational flourishing” in the past two decades, albeit different types of organizations than the civic and fraternal organizations of the Progressive era. In fact, there are two key reasons to believe that the current

era is ripe for bureaucratic autonomy, particularly at the state level. First, the hollowing of the state has placed bureaucracies at the center of a complex organizational network; state bureaucrats have “very few command and control mechanisms; public managers find themselves involved in arranging networks” (Milward and Provan 2000, 363). Furthermore, nonprofit service providers do mobilize to lobby state and local government and sometimes mobilize their clients as well (Berry and Arons 2005; Marwell 2004). Thus, the opportunity exists for state bureaucrats to view local service providers as more than just local subsidiaries or contactors, but as a base for experimenting with new policies and forging a supportive coalition. A second reason why our current era could be ripe for bureaucratic autonomy is devolution, particularly the devolution that occurred with federal welfare reform in 1996. States gained additional discretion over the implementation of welfare programs with the new TANF block grants (Weissert 2000; Gainsborough 2003). Of course, devolution to the state level does not necessarily mean that policy-making will originate in state bureaucracies, but it does offer greater discretion for state bureaucrats in program design and implementation.

Working against the built-in organizational networks and added discretion resulting from devolution, there is one key reason why bureaucratic autonomy is less likely to emerge today—the perception that government is not up to the task of solving difficult problems. Carpenter demonstrates how Progressive era bureaucracies built up reputations for reliable and outstanding services. Our current bureaucracies appear to be faring much worse. For example, Wal-Mart was better equipped to provide emergency response after Hurricane Katrina than FEMA (Horwitz 2008). A preference for responding through the private sector rather than government is particularly associated with the issue of poverty. According to Gilens (1999), “Americans hate

welfare because they view it as a program that rewards the undeserving poor” (3), but Americans love giving to charity. The majority of Americans overestimate both federal spending on welfare and the share of families on welfare that are African-American by a large margin; these “mistaken beliefs” tend to “reinforce each other and thus have a cumulative anti-welfare effect” (Kuklinski et al. 2000, 798). Meanwhile, Americans are huge supporters of private charities, ranking first internationally in charitable giving, according to a report by Charities Aid Foundation (2006). Thus, if state-level social welfare bureaucrats do attempt to forge autonomy, we should expect their efforts to be conditioned by the public’s lack of confidence in public sector responses to poverty.

### **Promoting the Anti-Poverty Agenda**

The spread of the anti-poverty agenda closely follows two models of state policy diffusion—national interaction and regional diffusion (Berry and Berry 2007). National level actors, including advocacy organizations, such as the Center for Law and Social Policy, and associations of states, such as the National Governors Association, have promoted and shared the anti-poverty agenda across states and provided resources for state poverty summits (Levin-Epstein and Gorselany 2008). For example, the National Governors Association for Best Practices awarded grants to nine states to hold poverty summits in 2008. Additionally, there is a regional pattern in the spread of the anti-poverty agenda, particularly in the upper-Midwest. Among the nine states that held NGA funded poverty summits, four are neighboring states in the upper-Midwest: Michigan, Illinois, Wisconsin, and Ohio. Another state that borders Michigan—Minnesota—did not hold a poverty summit, but Minnesota did establish a Legislative Commission to End Poverty in Minnesota by 2020. The only state bordering Michigan that has

not held a poverty summit or established a state-level commission is Indiana. In most states, the agenda was promoted via traditional political channels such as legislative action (Illinois and Minnesota) or gubernatorial leadership (Ohio and Wisconsin). Below, I focus on two of these states—Illinois and Ohio—to emphasize how Michigan’s strategy differs.

The planning that led to the Illinois poverty summit began in 2006 with the Poverty to Opportunity Campaign led by the Heartland Alliance, an advocacy and research organization based in Chicago. The Poverty to Opportunity Campaign is built around a poverty reduction target—cutting extreme poverty in Illinois in half by 2015. Extreme poverty is defined as less than 50 percent of the federal poverty level; more than 700,000 individuals in Illinois live in extreme poverty (McNamara and Schenkelberg 2007). The Heartland Alliance recruited several other organizations as partners, such as the Chicago Coalition for the Homeless and the Greater Chicago Food Depository. Part of the campaign focused on a legislative agenda, specifically, passing legislation to create a state poverty commission. For Chicago-based groups, the Illinois legislature is a relatively hospitable political venue. Although central cities have declined in influence in many state legislatures, Chicago remains a significant base of influence in Illinois politics (Weir, Wolman, and Swanstrom 2005). The legislation to create the “Commission on the Elimination of Poverty” was passed unanimously by the legislature in 2008 and was signed by the Governor in August 2008. According to the legislation, the commission is responsible for developing “a poverty elimination strategic plan to reduce extreme poverty in Illinois by 50% or more by 2015.”<sup>3</sup> The timing of the passage of this legislation coincided with the NGA’s announcement of grants for poverty summits. According to Doug Schenkelberg, Associate

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<sup>3</sup> <http://www.ilga.gov/legislation/publicacts/fulltext.asp?Name=095-0833>; Accessed on February 10, 2010.

Director for Policy and Advocacy at the Heartland Alliance, organizing a poverty summit served as an opportunity “to move along the commission’s work.”<sup>4</sup>

The Illinois poverty summit, “Opportunities for Change: Taking Action to End Extreme Poverty in Illinois,” occurred in December 2008. The summit was co-sponsored by the Illinois Department of Human Services and the Heartland Alliance. Registration for the summit was capped at 200, though turnout was well below that. Unfortunately for summit organizers, Illinois Governor Rod Blagojevich was arrested the morning of the summit. Although the Illinois poverty reduction agenda was thrown off track by the Blagojevich scandal and a state budget crisis, the members were appointed to the Commission on the Elimination of Poverty by September 2009. The commission is charged with developing a plan by August 2010 to meet the Illinois poverty reduction target. Several broad policy areas fall under the purview of the commission, including housing, food and nutrition, healthcare, education, transportation, childcare, jobs, and income supports. The 26 member appointed commission includes two state representatives and two state senators, including two Democrats and two Republicans, as well as the Secretary of Human Services and representatives of several stakeholder groups in the nonprofit sector and anti-poverty advocacy organizations.

Similarly, Ohio’s anti-poverty agenda is being formulated by a statewide appointed commission, the Ohio Anti-Poverty Task Force. Ohio’s task force was established by an executive order issued by Governor Strickland. The Governor signed the executive order at Ohio’s statewide poverty summit in May 2008. The summit was cosponsored by several statewide organizations, and approximately 300 people attended. Once the task force was

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<sup>4</sup> Interview, January 7, 2010.

established, it remained closely tied to the governor's office; the task force chair was Greg Landsman, Director of the Governor's Office of Faith-Based and Community Initiatives. The task force had 30 members including representatives of state agencies, nonprofits, and faith-based organizations. Meanwhile, the Ohio Association of Community Action Agencies organized 22 regional forums on poverty reduction. In April 2009, the task force issued a report of its recommendations to Governor Strickland. In a letter to the Governor, the task force members stated, "We believe the strategic recommendations contained in this report provide the most appropriate roadmap for state action to address poverty over the course of the next few years."

Both Illinois and Ohio incorporated several stakeholder groups into their statewide commission or task force, and both states held statewide poverty summits. Yet in both cases, the development of the anti-poverty agenda is occurring via traditional political channels, and could be criticized as simply a symbolic effort by elected officials to show they care about poverty. The task force/commission in both states was established by state-level politicians and was expected to make recommendations back to the political leaders to spur additional legislative and gubernatorial action. Although state bureaucratic agencies have been involved in the task force/commission in each state, their role is representing their agency and receiving recommendations. Thus far, neither state has proposed major changes to the relationship between state level agencies and local service providers.

### **Bureaucratic Autonomy in Michigan**

In Michigan, the anti-poverty agenda has been promoted at the state level by the Voices for Action Network—a partnership involving the Department of Human Services (DHS), the

Governor's Commission on Community Action and Economic Opportunity, and the Michigan Community Action Network. At face-value, this appears similar to the other states, but Michigan's approach differs in two key ways. First, DHS is largely responsible for driving Michigan towards a broad engagement strategy—more specifically, the strategy reflects the vision of DHS Director Ismael Ahmed. Furthermore, the agency has courted private funders and developed plans to support the regions without direct involvement from the state legislature. Second, the state-level Voices for Action network will not develop a statewide anti-poverty action plan; instead, plans will be developed locally within eight regions of the state.

The impetus for a poverty summit in Michigan came from within state government, involving an existing state level commission and the Department of Human Services. Michigan's Commission on Community Action and Economic Opportunity was created by legislation in 1981 and modified in 2003; the eight members are appointed by the Governor. During late 2007 and early 2008, the commission held several statewide poverty forums "to hear directly from people living in poverty about their experiences, observations and suggestions" ("Alleviating Poverty in Michigan" 2009). Meanwhile, in 2007, Governor Granholm appointed a new director for the Department of Human Services, Ismael Ahmed. Ahmed's prior experience was in the nonprofit sector; he co-founded the Arab Community Center for Economic and Social Services (ACCESS), a Dearborn-based organization that is the largest Arab-American human services organization in the United States. Upon his arrival in the department, Ahmed "had this mandate in mind of reenergizing people around poverty and building a network of poverty activists," said Linda Schmidt, poverty policy specialist at DHS.

The Voices for Action Poverty Summit Report (2009) provides some background on Director Ahmed's idea for Michigan's poverty summit:

Ahmed, it can be said with certainty, was personally committed to reigniting the nation's revolt against poverty not seen since its heyday in the 1960s... In a meeting at Dearborn's Arab American Museum on a sunny and bitterly cold day in January 2008, Ahmed outlined what he wanted from a poverty summit to a small group of people including Sonia Harb, chairperson of the Commission [on Community Action and Economic Opportunity], and a handful of department staff members that would go on to play prominent roles developing and marketing the summit. Ahmed said he wanted a one-day event soon after the presidential election attended by at least 3,000 people from around Michigan that "represented the true face of poverty." He also made clear what he did *not* want: another conference where a lot of talking went on and nothing happened afterward (88).

Thus, although the Governor's commission had already started holding hearings in a manner similar to anti-poverty commissions in other states, Ahmed's proposal sent Michigan in a new direction. Planning for the Michigan poverty summit began in early 2008. Director Ahmed selected the site—Detroit's Cobo Center—a major convention center that also hosts the North American International Auto Show. A summit steering committee was formed, involving the three entities that would form the Voices for Action network—the Department of Human Services (DHS), the Governor's Commission on Community Action and Economic Opportunity, and the Michigan Community Action Network.

One essential aspect of planning for such a large summit was fundraising. According to Ahmed, "I didn't think money would come out of state government to pay for a summit which people think of as just a place to talk... We targeted individuals, foundations, and corporation. The fundraising actually engaged a lot of forces."<sup>5</sup> More than \$300,000 was raised from

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<sup>5</sup> Interview, February 16, 2010.

corporations, universities, foundations, and individuals. DHS has continued to look to private funding sources to support post-summit coordination efforts.

Up until October 2008, summit planners did not expect to reach Ahmed's goal of 3,000 participants. Yet during the final weeks of registration for the November 2008 summit, registration climbed rapidly and reached more than 5,000. This created some logistical challenges and debate about the political implications of such a large turnout for a poverty summit. According to Ahmed, "There were political concerns—what does a gigantic forum about poverty say about leadership efforts in the state? There was debate about whether this was a good idea at the executive level. [We decided] to grow it to 5,000 because we felt that this was what it was all about."<sup>6</sup> A point of pride for summit organizers was the successful recruitment of low-income individuals; approximately 15 percent of summit participants were low-income individuals. According to the Voices for Action Year One Assessment: "The level of involvement of low-income individuals has distinguished Michigan as the only state that has included low-income participation on this scale" (5). The participation from the non-governmental sector was also expansive, including representatives from 94 organizations just from the city of Detroit. These ranged from hospitals to food banks to youth services to advocacy and community organizations such as the NAACP and Metropolitan Organizing Strategy Enabling Strength (MOSES).

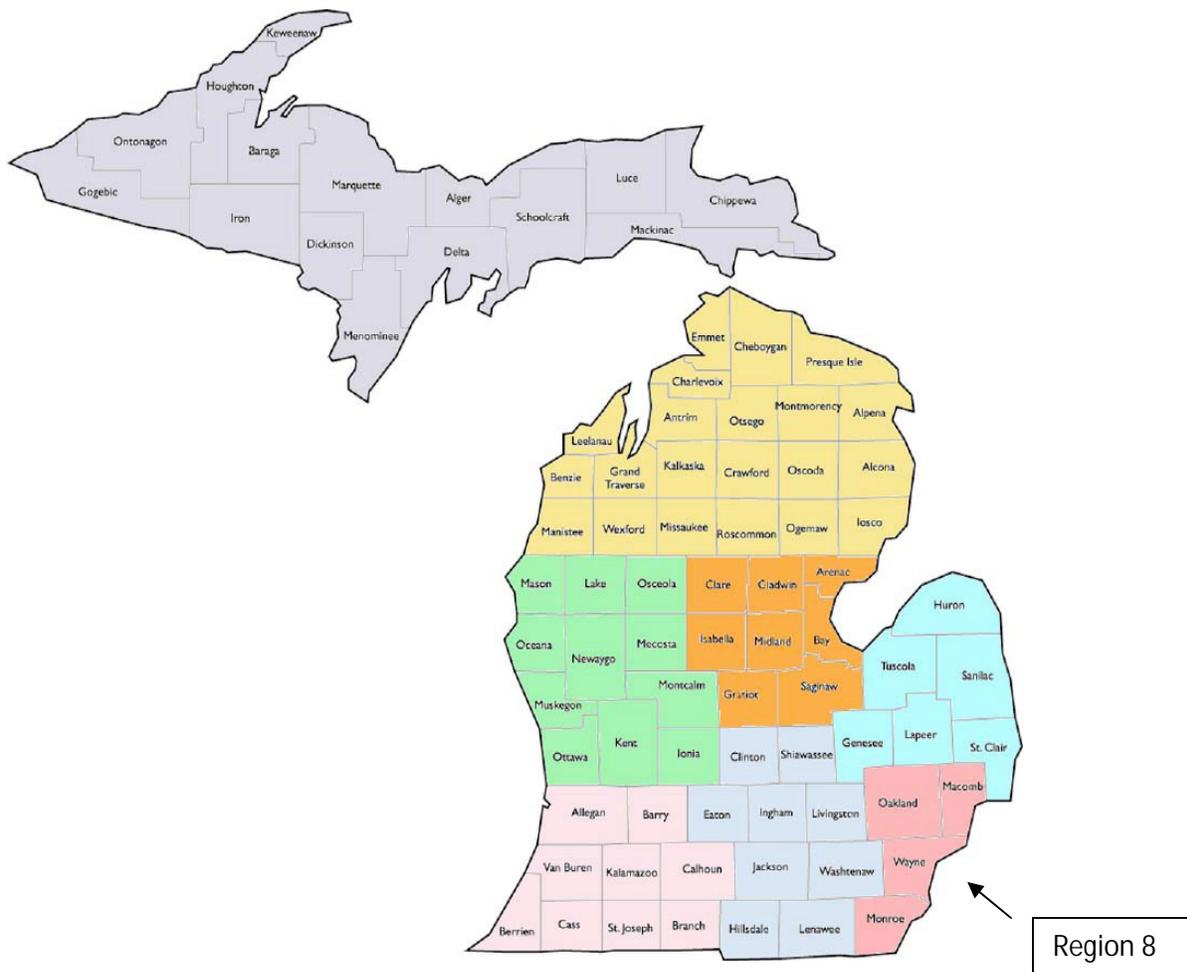
During the planning for the summit, the organizers decided to develop a plan for regional networks as the basis for ongoing engagement after the summit. The Voices for Action regional engagement networks were copied from the eight regions created for Michigan's Campaign to

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<sup>6</sup> Interview, February 16, 2010.

End Homelessness, organized by the Michigan State Housing Development Authority (Figure 1). Thus, the regional networks emerged partially out of convenience; also, they are not necessarily built around metropolitan areas, and the poverty summit organizers did not set out to create an institution to coordinate human services around metropolitan regions. Nonetheless, the area designated Region 8 is a four county region that encompasses much of the Detroit metropolitan area. Using the same regional groupings as the Campaign to End Homelessness could develop into a broader human services coordination strategy, given that some of the same providers would be involved in both efforts.

**Figure 1: Voices for Action Regional Networks**



At the poverty summit, there were breakout sessions that divided participants into the eight regions. The aim of the discussions during the summit was to set priorities for each region. The organizers of the summit envisioned that the poverty summit was the beginning of a much longer process:

More a beginning than an end, the event on summit day began a new process in Michigan, one where eight regional groups would work together to reduce poverty and expand economic opportunity for Michigan residents. In the final moments of summit day, each regional group – some attended by as many as 1,000-1,500 people – presented the three priorities each group would pursue (Voices For Action Poverty Summit Report 2009, 93)

Post-summit engagement would prove to be very difficult. The enormous turnout for the summit sapped both money and staff time that could have been devoted to post-summit coordination efforts. According to Schmidt, the summit was a “big splash,” but afterwards “an awful lot of momentum evaporated.”

Nonetheless, the regional networks remain the primary mechanism for continuing to promote the agenda that Ahmed proposed in January 2008. When I asked Ahmed what he hopes will have occurred by November 2010—two years after the summit—he responded: “There are working groups in all eight regions that have developed models to encounter poverty. The models themselves are not the answer; it is the synergy of bringing all those groups together.”<sup>7</sup> Ahmed and other leaders at DHS consistently described their commitment to a “bottom-up” strategy for developing poverty reduction plans. They also recognized that this was an unusual stance for a bureaucratic agency. According to Schmidt, “Bureaucracies are usually good at making demands and implementing a model. But the conversation won’t change that way.”

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<sup>7</sup> Interview, February 16, 2010.

More than one year after the summit, there is particular focus on ensuring that 15 “key stakeholders” are engaged in the planning efforts within each region. These stakeholder groups include: intermediate school districts, county health departments, Area Agency on Aging offices, schools of Social Work, local foundations, universities/community colleges, corporations, faith-based groups, Michigan Works! Agencies, Community Mental Health, Substance Abuse Coordinating agencies, food banks, federally qualified health centers, health care systems and community hospitals, and local units of government.

Although the strategy is conceived as “bottom-up,” state leaders have set five broad goals for the eight regions:

- 1) Maintain and increase focus on poverty as a key component of economic recovery
- 2) Develop network for identifying and sharing information about best and promising practices in poverty reduction and community engagement
- 3) A poverty reduction initiative linked to every county
- 4) Improve Government-Community collaboration
- 5) Identify Community-based measures of poverty reduction and set baselines for poverty reduction

Additionally, there are plans for raising private funds to distribute to the regions to support information sharing and new initiatives. According to the One Year Assessment:

The V4A [Voices for Action] Core Team is seeking direct funding to support information sharing and collaboration between regions through the creation of a statewide Poverty Reduction Initiative Fund, modeled after the Center for Economic Opportunity in New York. This fund will blend private and public support in one flexible account that can help replicate and publicize best practices by directing funds to V4A Regional priority areas (2010, 7).

Although DHS leadership has put substantial effort into strategizing ways to support the eight regional networks, there appears to be considerably less strategic energy invested in policy development at the state level. Noticeably absent in the sixty-page Year One Assessment report is any mention of the state legislature. The 102-page report on the poverty summit mentions the

legislature only five times, but Director Ahmed is mentioned 23 times. Ahmed explained that Voices for Action does have a legislative strategy—going to the grassroots: “Our approach is ground-up. Go to folks and they affect what the legislature does...In the end, moving state or federal politics is local.”<sup>8</sup> If Ahmed and his agency succeed at driving state legislative policy through bottom-up coalition formation, they will be well on their way to following Carpenter’s model of bureaucratic autonomy.

Currently, the development of Michigan’s anti-poverty agenda through the leadership of Director Ahmed and DHS resembles Carpenter’s concept of bureaucratic autonomy in two key respects. First, the bureaucracy is directly engaging a network of advocates, and this engagement is not mediated by the involvement of elected officials. Second, Michigan’s DHS has made “decisive first moves toward a new policy” (Carpenter 2001, 355). Without relying on the state legislature (yet) for new funds or for a policy direction, DHS is coordinating with regional networks and raising outside funds to support new initiatives in each region. It is too early to tell whether this effort will fulfill Carpenter’s full definition of autonomy, in which the bureaucracy “can make it politically costly to oppose or restrain their innovations or deny them leeway” (2001, 355). Also, there is one way in which Michigan’s DHS clearly falls short of bureaucratic autonomy—building a reputation for organizational capacity. DHS leaders do not believe that the state agency will solve poverty in Michigan; it seems that the agency has fully absorbed the perception that bureaucracy cannot solve problems like poverty. Michigan’s state leaders are asking stakeholders within the eight regions to be the originators of new ideas and new capacities to tackle poverty, and DHS is positioning itself as the facilitator of these local efforts.

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<sup>8</sup> Interview, February 16, 2010.

## **Regional Solution for a Regional Problem?**

Michigan's DHS-led effort to promote an anti-poverty agenda has devolved some new authority and responsibility to regions, although it remains to be seen whether the regions will take advantage of this new structure. This mid-level devolution—neither state nor local—mirrors other versions of social service devolution in Michigan. Workforce development is structured around 25 regional agencies—combining between 2 and 10 counties in each region. The Voices for Action regional networks are copied from another existing regional platform—the Campaign to End Homelessness. In each of these cases, state-regional devolution does not appear to come from demand at the local level; rather, devolution reflects the preferences of state-level actors. Local governments in Michigan do not have a strong track record of involvement and advocacy in social welfare policy. During welfare reform in the 1990s, the state's county association had “no position” on the issue, and “most counties do not contribute funds for welfare programs” (Weissert 2000, 149-150).

While policy entrepreneurs are developing new political frames and strategies, the problem of poverty continues to evolve in ways that make it more challenging for our existing social safety net to respond. Through much of the post-war period, the problem of poverty has been characterized as urban, and more specifically, as the isolation of the black urban poor in central city neighborhoods with few employment opportunities (Wilson 1990). Starting with the War on Poverty, an organizational and political infrastructure emerged to focus on concentrated urban poverty. Yet in the last 20 years, immigration directly to suburban areas, demolition of inner-city housing projects, and job sprawl have contributed to the growth of suburban poverty. In fact, suburbs now have the largest and fastest growing poor population nationally (Kneebone

and Garr 2010). Our highly decentralized system for delivery of social services leaves large holes in the safety net, particularly in suburban areas (Allard 2009; Hendrick and Mossberger 2009).

Some scholars have argued that the convergence of poverty-related challenges in urban and suburban areas offers a basis for organizing a regional level response to poverty (Pastor, Lester, Scoggins 2009; Orfield 2002). Organizers and advocates at the national level, such as PolicyLink, and within metropolitan regions, such as Gamaliel Foundation, have promoted a regional equity agenda, arguing that “regions should be pursuing policies that reduce racial segregation, concentration of poverty, neighborhood distress, disproportionate exposure of the poor to environmental risk, and interjurisdictional inequality” (Bollens 2003, 631). Nonetheless, policies to reduce social and economic inequalities at the regional level “commonly come in through the back door, as a result of federal and state programs that may or may not be concerned primarily with social equity” (Bollens 2003, 647). Local leaders are very unlikely to pursue new redistributive policies, particularly at a regional scale, unless carrots and sticks are extended by higher levels of government. According to Weir, Wolman, and Swanstrom: “political prospects for regionalism depend on the institutional openings and barriers in state politics” (2005; 732).

Michigan’s DHS has created an institutional opening unintentionally. Although the Voices for Action regional networks were not intentionally designed around metropolitan areas, the regional network encompassing metropolitan Detroit could be well suited for responding to the changing geography of poverty in that area. By 2008, nearly 55 percent of people in poverty in metropolitan Detroit lived in the suburbs, and from 2000 to 2008, the proportion of Detroit’s

metropolitan poor living in the suburbs increased by 9.1 percent (Kneebone and Garr 2010). Nonetheless, the central city poverty rate in Detroit is still very high. According to the American Community Survey three-year estimate for Detroit (2006-2008), the city's poverty rate was 33.1 percent. Of course, metropolitan Detroit has a long history of stark city-suburban divisions, particularly along racial lines. Yet this has also started to change, as African-Americans have left Detroit for suburbs in Macomb and Oakland counties seeking better schools and safer neighborhoods (Jun and Schultz 2009).

The distribution of poverty in metro Detroit emerges more clearly by looking at maps. Figures 2 and 3 show the percent of people below 150 percent of the federal poverty level in the Detroit-Warren-Livonia CBSA (core based statistical area) in 2000 and 2007.<sup>9</sup> In 2000, Detroit had a noticeable concentration of poverty in urban areas, including Detroit proper, as well as Pontiac, MI, a smaller city in the Detroit metro area. There were suburban areas with higher levels of poverty around Detroit, including southern Wayne County. Yet from 2000 to 2007, poverty spreads into new suburban areas. In the Detroit metro area, new sections of Macomb and Oakland counties rose to 15 percent or more living below 150 percent of the federal poverty level in 2007. Macomb County, perhaps best known for "Reagan Democrats," is home to middle-class and working class suburban communities. Neighboring Oakland County is Michigan's wealthiest county, the home of high-end suburbs and auto executives. Yet the

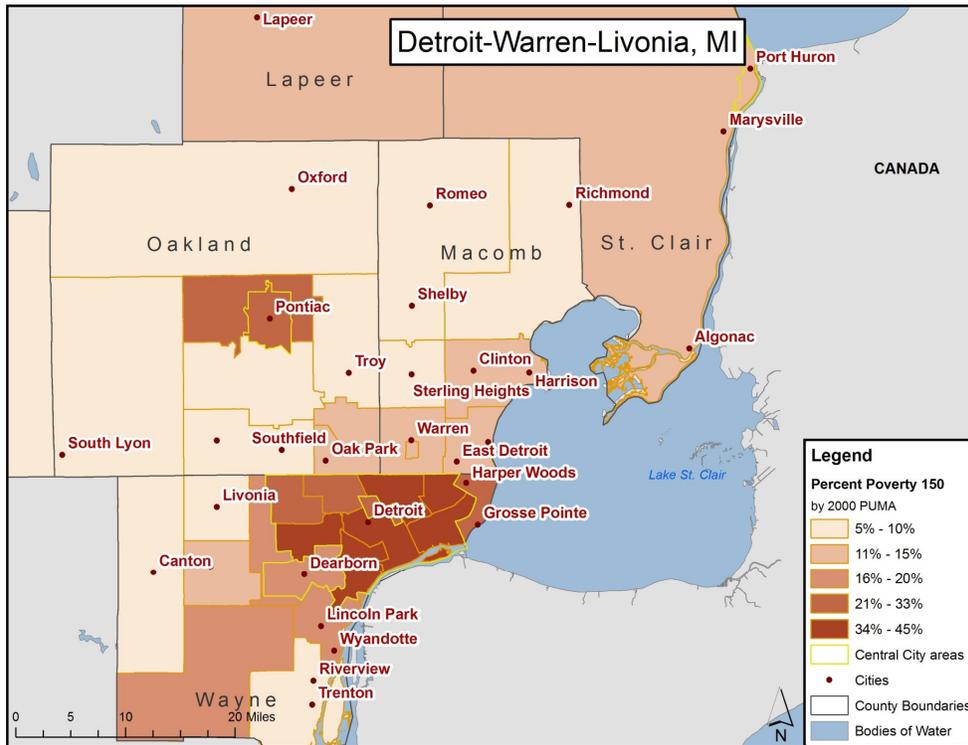
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<sup>9</sup> Unfortunately, the CBSA does not fully correspond with the Voices for Action regional network (Region 8), but three of the CBSA counties are also three of the four counties within Region 8—Wayne, Macomb, and Oakland (Monroe county is not within the CBSA). The data are presented at the PUMA level (public use micro area), as designated by the Census. The population contained within PUMAs is large enough to generate single-year estimates based on the American Community Survey. It is important to note that the data presented here do not extend past 2007, so they predate the current economic recession. It is likely that urban and suburban poverty has increased in both metropolitan areas since 2007.

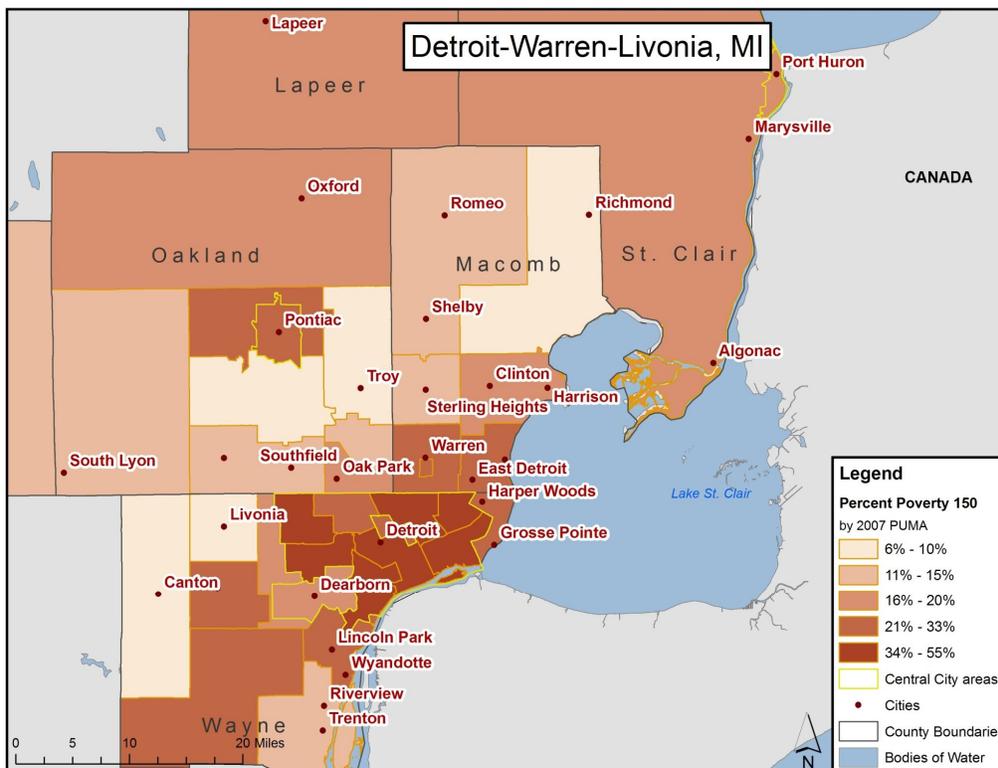
southern sections of these counties, which border the city of Detroit, show a considerable increase in poverty from 2000 to 2007. Meanwhile, in Wayne County, poverty increased in areas to the south and west of the city of Detroit.

Approximately 43 percent of people in poverty in Michigan live in the Voices for Action regional network encompassing metropolitan Detroit (Region 8). Based on the Voices for Action Network Year One Assessment, Region 8 has only made small steps toward collaborating regionally. Among the 15 stakeholder groups designated by the Voices for Action network, only two are involved in Region 8 planning efforts—Michigan Works! Agencies and local units of government. The executive steering committee for Region 8 includes representatives from community action agencies, DHS, Michigan Works!, and the City of Detroit. The Year One Assessment does mention that Region 8 “has started a list of stakeholders that they will reach out to as their plan continues to develop” (52). The Region 8 leadership has identified specific organizations in the region for future collaboration, including Lighthouse of Oakland County, Inc and Oakland Adult Learner Collaborative. Currently, the region remains divided along county lines in efforts to address poverty. According to the Year One Assessment, “Each county has a strong collaboration within their county...Region 8, however, is resisting the notion of counties acting separately” (52). Given that DHS still works through county offices at the local level, it is not surprising that counties would remain the primary venue for organizing responses to poverty locally.

**Figure 2: Detroit CBSA Percent Poverty, 2000**



**Figure 3: Detroit CBSA Percent Poverty, 2007**



This points to what is missing in the Voices for Action regional networks plan—there is no parallel plan to reorganize administration or intergovernmental funding for human services. DHS has helped to develop a new venue for regional engagement, but it is dependent on the initiative of local actors within each region to make use of these new venues. There are no mechanisms that will force actors to collaborate regionally, though there may be some carrots offered if DHS succeeds at raising private grant dollars for the Poverty Reduction Initiative Fund. The Year One Assessment suggests that some regions in the state have made considerably more progress than Region 8 toward collaborating and developing regional poverty reduction plans. Yet it is not clear whether DHS has the capacity to fully support collaboration in places that do not have existing capacities and inclination to collaborate regionally.

## **Conclusion**

Compared to other states, Michigan has developed a distinct approach to promoting the anti-poverty agenda. In two key ways, Michigan's DHS has moved toward bureaucratic autonomy. DHS organized a large poverty summit and developed a post-summit regional engagement strategy; with these efforts, DHS has established direct links to local actors to build a poverty reduction coalition, including local service providers and anti-poverty advocates. Furthermore, DHS has developed this strategy without taking policy cues from state policy-makers. Meanwhile, in other states, the anti-poverty agenda has been promoted through more traditional political channels. These strategies may produce results, although they are dependent upon the whims of governors and the strength of urban delegations in the state legislature. If Michigan's DHS succeeds in forging bureaucratic autonomy, perhaps other state level actors, such as the legislature and the Governor, will go along with the regional engagement strategy

and provide state funding. It is too early to tell whether the regional engagement networks in Michigan will produce a supportive coalition for DHS among state policy-makers.

Michigan has also developed a structure for regional engagement to address poverty; this type of strategy has been promoted by scholars and advocates, but rarely tried. Yet the regional level approach in Michigan is likely to produce highly variable results in different regions—regions with existing inclination and capacity may take advantage of the new structure, while other regions will flounder. The regional engagement networks are not accompanied by restructuring of intergovernmental funding or the DHS county-level bureaucratic structure. Other scholars have shown that establishing venues at the regional level might produce some new collaboration, but these venues will not produce policy change without supportive state-level action (Weir, Rongerude, and Ansell 2009). In other words, local governments and agencies will be unlikely to go along with new regional planning efforts—even if they are participants in a regional conversation—unless the state gives regional networks political muscle.

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