

January 16, 2017

An Organizing Strategy Focused on Manufacturing, Race, and Community

"Peace cannot exist without justice, justice cannot exist without fairness, fairness cannot exist without development, development cannot exist without democracy, democracy cannot exist without respect for the identity and worth of cultures and peoples." -Rigoberta Menchu, a Guatemalan Indigenous leader and winner of the 1992 Nobel Peace Prize

Executive Summary:

Background: Manufacturing Renaissance(MR) is a not-for-profit organization that has been focused on creating a new prototype for building communities over the last 35 years—an approach that is particularly but not exclusively relevant to the African American community.

In the 1980s, over 3,000 manufacturing companies in Chicago closed resulting in a loss of 150,000 manufacturing jobs. This was the beginning of urban poverty as we know it today. The loss of these jobs had a disproportionate impact on the African American community¹--a community that had made profound contributions to the development of the manufacturing sector. Manufacturing had been the major opportunity for African Americans to enter the middle class—even if at the lower rungs. Workers in manufacturing had good wages, benefits, stability, and protection in union contracts. The loss of manufacturing jobs for the African American community was particularly devastating as their options were limited in light of the many forms of discrimination and exclusion in American society. What was true for the African American community was true for American society as a whole in the most severest form.

The crisis in manufacturing in urban communities was the “canary in the coal mine” for American society. It was a signal that a section of the private sector had unilaterally changed the social contract. Rather than continuing to serve as the leader in developing our countries’ productive capacity, it’s powerful financial sector began to cannibalize the very industries that had been the focus of its

¹ The Truly Disadvantaged, William Julius Wilson

investment for decades if not centuries with a disproportional impact on the African American community.

Ready or not, the social movement for fairness, justice, and equality needed to recognize that the traditional Alinsky model for organizing was no longer effective. A new model needed to be embraced. We saw that model in Mondragon in the Basque region of Spain.² To argue for justice and fairness is required but not enough. The social movement needs to engage the challenges of driving the creation of wealth in addition to demanding a more equitable distribution of wealth as a critical part of the agenda for justice. This became the focus of Manufacturing Renaissance.

Context for Action: With this objective in mind, we founded a public school in the Austin community on Chicago's West Side—Austin Polytechnical Academy. Austin is an African American community with all of the challenges of urban communities of color. —a school that became the site for the creation of our Manufacturing Connect program.

MR has always been focused on community development and social justice, particularly in the Austin community. Our approach focuses on manufacturing because, like Harvard Professor William Julius Wilson—an early advisor of MR-- argued, the growth of extreme poverty particularly in the African American community is a direct product of deindustrialization.³ Communities of color have unevenly been affected by the loss of manufacturing jobs, and with it the opportunity to sustain their communities' vitality. As described in the *New York Times*,⁴ on Chicago's West Side:

“Industry once flourished here. The original headquarters and distribution center for Sears, Roebuck & Company provided thousands of jobs. But the area changed in the 1950s, 1960s, and 1970s, as whites moved away and blacks moved in. In 2014, almost a quarter of the housing units in the neighborhoods in the district were vacant, census data shows.”

² Alinsky vs. Arrizmendi

³ *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy*, William Julius Wilson, 1987

⁴ *New York Times*, “In Chicago Bodies Pile Up at Intersection of Depression and Rage,” December 9, 2016.

During the past three decades, MR witnessed the destruction of the industrial base in the Austin community and broader West Side. We were directly involved in a number of efforts to retain companies and jobs at Brach Candy Company and Leaf Confectionary. These Austin companies together employed over 4,000 people. They were viable companies that finally closed due to short term profit maximization financial strategies by their owners who were well aware of the enormous damage their decisions would have on the Austin community.

‘The steel mills, the factories, those big economic engines aren’t there,’ said Eric Washington, a deputy chief for the Chicago Police Department and a former commander of the 11th District, ‘and we need to see what can be the new engines in this district. It can’t be the drug trade.’⁵

We saw firsthand how communities like Austin were disproportionately damaged. Once there were 20,000 manufacturing jobs in the Austin community. Now there are 2,000. The City lost 57% of its industrial base. Austin lost 90%. Unemployment in the city is 6.4%. In Austin, it’s 30%. On the West Side, jobless rates for African-Americans ages 20-24 hovers between 53-73%⁶, with those living in poverty and extreme poverty at 51.3% of all residents.⁷ In Illinois, only 1% of manufacturing companies are owned by people of color, while 99% are owned by whites⁸—a striking indicator of a persistent pattern of exclusion—that is also visibly present in the Austin community.

Our approach:

In the late 1990s, we became deeply aware of the fact that manufacturing had changed. Low skilled work had been moved off-shore and area companies had shifted to high value-added manufacturing or advanced manufacturing. This kind of production required a more highly skilled and educated workforce. Companies couldn’t find the talent they needed to remain competitive. In 2000, we partnered with the Chicago Federation of Labor

⁵ Ibid.

⁶ *Lost: The Crisis of Jobless and Out of School Teens and Young Adults In Chicago*, January 2016

⁷ *West Side Forward*, Bethel New Life, p. 15.

⁸ <http://www.mbda.gov/sites/default/files/ManufacturingFactSheet2014.pdf>

We initiated the Manufacturing Connect program in 2005 as a critical element of our larger strategic vision.⁹ Mondragon has always been a key source of inspiration and offers a model of economic democracy and the initiative of the civil society (Father Arizmendi) driving the industrial development in the Basque region in Spain in the development of the Mondragon Cooperative Corporation. This effort began with a polytechnical school in the 1940s in Mondragon that taught young people the skills and knowledge required to lead in the development of a modern manufacturing sector, as well as the values of the Church and Arizmendi's social vision. The purpose of a company is to build the community rather than make one person or one family wealthy. Work is designed to strengthen humans and families, not degrade and exploit them. Workers and community should have authority in developing their regional economy and not be at the mercy of outside forces. It was the students from this polytechnical school that founded the first industrial cooperative in the 1950s, and now the region is one of the best examples in the world of merging innovation in production with innovation in social inclusion and participation. A critical aspect of Mondragon is its profound connection to the struggle of the Basque people. The movement by Father Arizmendi was equally focused on the struggle of the Basque people for freedom and self-determination—a key factor is seeing the relevance of Mondragon to the African American people in the US as pointed out in an article by Professor Sigmund Shipp.¹⁰

Impact:

This was the inspiration for the creation of Austin Polytechnical Academy that became the first site for the Manufacturing Connect program.¹¹ We've long been seen by some as a complex organization that was difficult to understand and that had goals that seemed unachievable. Now our impact is easy to see and understand:

⁹ Balancing Innovation in Technology with Social Inclusion—the Second Industrial Revolution, *The Bridge*, The journal of the National Academy of Engineering, Fall 2015.

¹⁰ “The road not taken: alternative strategies for Black economic development in the United States,” *Journal of Economic Issues* - March 1, 1996
Sigmund C. Shipp

¹¹ <http://mfgren.org/manufacturing-connect/>

Alex—Now a Supervisor: Alex graduated from Austin Polytech and from our Manufacturing Connect program in 2012. He graduated with a diploma, a nationally-recognized industrial credential from the National Institute for Metalworking Skills (NIMS), and direct work experience in manufacturing. He went to work at Atlas Tool and Die. He's had three promotions and now is a supervisor—2nd in charge—at a subsidiary plant of the company. He has keys to the factory. He recently bought a two-flat in the Austin neighborhood where he's raising his two children with his girlfriend. He says, "I'm doing an excellent job and I love my career." His girlfriend is now exploring a manufacturing career.

Rene Work and Study: Rene graduated in 2014. While as a junior at Austin Multiplex, he won the SkillsUSA Illinois State Championship for CNC lathe programming. Rene is now working full-time at Freedman Seating, one of our partner companies on the west side of Chicago, as a Laser Cutter Machine Operator. Rene is now going back to school, enrolled at Triton College to work towards an Associate's degree in Mechatronics. Part of his tuition is being paid for by Freedman Seating. As a junior in the MC program, Rene was asked by Randi Weingarten, President of the American Federation of Teachers, what the MC program meant to him as she was touring the school in 2013. He replied: *"The CNC machine is like a playground for my mind, if I can think it, I can make it. Manufacturing Connect helped me discover that."*

Jervon to attend Trinity College and study engineering: Jervon, with the assistance of MC's Post-Secondary Education Coach, won a POSSE scholarship which will cover 4-years tuition to study engineering at the prestigious Trinity College in Hartford, Connecticut starting in the fall.

Rahkeem – Mentoring the next generation: Rahkeem , Austin Polytech's Class of 2012, started working as a machine operator at Paasche Airbrush two days after his high school graduation. Several promotions and raises later, he's now been working at Paasche for over 4 years as one of their lead CNC machinists. This summer Rahkeem has applied to be a mentor for our MC Mentoring program in which he will be matched for at least one year with one of our current high school participants. Rahkeem is one of several alumni who are part of the Young Manufacturers Association,

program graduates who are now building their careers in manufacturing are also stepping up to become role models to others.

Neopatra Hawkins—Class of 2014 summarizes the impact of Manufacturing Connect: “Manufacturing Connect showed me what is possible for my career; I can be an engineer and I can own my own manufacturing company some day and be a leader in my community.”

Here’s a summary of our performance. Since 2010:

- **Our students have had 298 paid internships and summer jobs in manufacturing for youth earning collectively over \$291,000.**
- **347 nationally-recognized industry credentials from the National Institute for Metalworking Skills (NIMS) have been earned by 261 MC program participants.**
- **55 full-time manufacturing jobs for our graduates, with an average retention of 1 year, earning between \$20 - \$75k per year plus benefits.**
- MC has worked with **91 manufacturing companies** to provide learning and work experiences for participants.
- MC is responsible for establishing the first **manufacturing technology dual-credit course** in the Chicago Public School system in 2015, the first class of 16 juniors all passed earning 3 college credits each while earning industry credentials.
- **Building Training Infrastructure:** MC raised over \$400,000 in private investment to install the WaterSaver Faucet Manufacturing Technology Center, the only accredited, state-of-the-art machining training facility on the west side of Chicago, and to support the MC program.
- **Expanding Workforce Development:** MC provided adult training using the machining facility at Austin High School. Over 80 percent of adult training graduates secured jobs or earned raises or promotions in current jobs

averaging a \$15.83/hour wage. We have now enlisted the Jane Adams Resource Corporation to run the adult training program starting this fall.

- **Entrepreneurship Development:** MC has been working towards starting a student-run manufacturing cooperative called Mech Creations. We want young people not only to aspire working in manufacturing but working towards ownership of manufacturing companies.
- **Community Partnerships:** MR actively partners with a variety of community based organizations around Chicago on helping to build a community-driven support for Chicago becoming an international leader in advanced manufacturing.

Rebuilding the Community: These programs are complemented by recent improvements in the manufacturing programs at City Colleges—particularly at Daley College—long advocated by the Chicago Manufacturing Renaissance Council. In sum, we have—with our partners in CPS and City Colleges—started the creation an educational infrastructure for the manufacturing sector.

From the very beginning, our effort was to bring about system change in public education as part of a new vision of community economic development. We are early in the process, but in the last year we were successful in broadening our active support to include community-based organizations, elected officials, manufacturing companies, the Chicago Teacher’s Union, and education official in Chicago Public Schools. CEO of CPS Forest Claypool said:

“I want to congratulate Manufacturing Renaissance for its Manufacturing Connect program that, in partnership with CPS, has created a new model of reconnecting public education with Chicagoland’s manufacturing sector. I also want to laud the efforts of the Chicagoland Manufacturing Renaissance Council that have been so central to the project’s success. This has been a remarkable project...I want to extend my full support for further MC expansion...CPS will be working diligently to remove every obstacle and pursue opportunities to scale this vital initiative.”

As a result of our recognition, we are now expanding the MC into Bowen High School in South Chicago—a neighborhood with exactly the same characteristics as

Austin. Other schools in Chicago and in the South Suburbs are also considering a partnership with Manufacturing Connect.

Debbie Mills, Director of the National Career Pathway Network recently wrote:

Glad to hear the news about the possible expansion of the Manufacturing Connect program in Chicago to other schools.! Wouldn't it be wonderful to expand across the Midwest (and then the nation?) Please use my NCPN connections to help keep you in the national spotlight and highlight the good work you are doing.

Our Design: Our design has been refined as we traveled. There are several distinct components.

Location: We were advised by Betty Green, the former principal at Chicago Vocational School at the beginning on how difficult it would be to develop our program in the Austin community. There was poverty, crime, deep unemployment and underemployment. There was deep cynicism in the community about initiatives by Chicago Public Schools and Mayor Daley to start new small schools as a means of educational reform. There was a challenged educational infrastructure at all levels. Plus we would be perceived as outsiders competing with local organizations for funding and for influence. Central to our vision is the necessity of linking the growth and development of the manufacturing sector to the growth and development of communities unlike companies and other vocational training programs such as Washburne Trade School¹² and other training programs that left the community and the city as communities changed from white to Hispanic and African American. Our commitment to communities like Austin is fundamental to our vision.

A Public School not a Charter: When we first proposed the school and our program, the City insisted that the school be organized as a charter school rather than a traditional public school. We refused for two reasons. First, at that time, “charter” meant no union representation for teachers. Second, the problem faced by manufacturers in finding enough talent was huge requiring the transformation of the educational system a handful of independent small schools.

Not a vocational school: In every presentation about our program, we make it clear that we aren't talking about simply rebuilding the vocational education

¹² <http://forgottenchicago.com/articles/the-last-days-of-washburne/>

system—as useful as it was for manufacturing in the 20th century. A “vocational education system” is all about educating prospective employees. Our Manufacturing Connect program is about educating the next generation of leaders in every aspect of manufacturing. Our design for a full manufacturing program in a school will represent the full cycle of the manufacturing process including the following components:

- **Engineering:** We promote the use of Project Lead the Way as a 3-4-year introduction to engineering. We currently have this at the Austin Campus.
- **Product Development:** This is the first stage in the manufacturing process where an idea for a product is developed, a prototype is made, and the general requirements of production are developed. This will require having a Fab Lab and instructor in the schools that embrace the MC program.
- **Production:** We designed the Manufacturing Technology at the Austin Campus to meet the accreditation standards of the National Institute for Metalworking Skills and the needs of the metalworking sector. We look for the equivalent standard for any program focused on production.
- **Business Development:** This needs to be a distinct course with an instructor qualified to teach entrepreneurship and business development focused on the cooperative business model as well as the private ownership model. We will assist students in starting a manufacturing company at the school with a hybrid cooperative structure. This experience prepares students for leadership in any kind of corporate structure including the cooperative business model or the more traditional business models. This program will be based on both national as well as international best practice.

We believe that this offering completes our objective of “educating the next generation of leaders in all aspects of manufacturing including production, management, and ownership” and distinguishes the Manufacturing Connect program from the traditional vocational education model.

Our Partners: The skills gap and succession gap crisis create the opportunity-the entry points for a successful movement for fundamental change in how our economy is led, who participates in it, and what values guide it.

College?

Even progressive educators emphasize college enrollment as the key criteria for success in secondary education. If that's the criteria for educational success in inner city communities, it means that we've created a portal for young people to leave the community with no attention on what role they play in society after they leave high school, with no knowledge if they succeed in college, or if they can pay off their inevitable college debt.

We see the purpose of the MC program as building the community. Again, manufacturing is the only sector that can re-build a broad-based middle class in inner city communities. Not only are there good wages and benefits for the individual, there's the multiplier effect. On average, each manufacturing job generates 5 other jobs in the economy whereas each service sector job maybe creates 1 other job in the economy, and each retail job creates $\frac{1}{4}$ of a job. In the case of Walmart, there's a destruction of jobs in the community.

If residents in a community are going to participate in 21st century manufacturing, there must be an appropriate educational infrastructure that at minimum includes elementary, secondary, and post-secondary institutions that meet the standards and requirements to work in manufacturing. This infrastructure can provide a link between the community and the regional manufacturing sector leading to a flow of money back into the community. Two of our MC graduates have purchased houses in Austin only 3-4 years out of high school.

With this infrastructure in place, there becomes the possibilities of start-up companies, of arranging the acquisition of companies facing a succession crisis by local entrepreneurs including employees. There becomes the possibility to attract companies. Without the building of this educational infrastructure, Black and Latino communities will not participate in the growth and development of the regional manufacturing sector. In fact, the failure of a city to build this infrastructure linked to 21st century manufacturing in inner city communities is a policy of 21st century segregation. This is why we have focused on the Manufacturing Connect program in Austin despite the challenges.

Waging a War of Position:

Conclusion: Through our Manufacturing Connect program we can go into any school district within proximity of manufacturing companies; establish a strong connection between the school, the community, and manufacturers; and create multiple pathways for success for students. This approach can set the stage for rebuilding a modern manufacturing sector in the community as a foundation for broader community development.

“Austin Multiplex and Manufacturing Connect was the correct fit for a strategic partnership with their work at the high school level during the day along with transitional individuals in the evening. We look forward for these individuals to take advantage of our tuition reimbursement program to further their education. We have had great success with the individuals we have hired from their program.” - Julio Martinez, Plant Manager for Kay Manufacturing

Here's a recent video on the Manufacturing Connect program:
<https://youtu.be/AW6eirGakhg>