

The Urban Coalition Report

December 1969

The Urban Coalition Calls For Health Care Reforms

The Urban Coalition has called for a combination of national and community action to bring about sweeping medical reforms aimed at improving health care for all Americans, particularly those in the cities.

In a comprehensive 76-page report prepared by its health task force, the Coalition maintained that while the United States spends a bigger proportion of its gross national product on health than any other country, its health services are inadequate. The report, *Rx for Action*, was prepared under the direction of Dr. George A. Silver, the Coalition's Executive Associate for Health.

According to the report, Americans spend more than \$53 billion annually on a "potpourri" of public and private health programs. If these funds were spent more efficiently, the report

concluded, many more people would be served and better services could be assured for all.

Poor health affects all Americans, regardless of income, the report said. Not only the poor, but middle income families, blue collar workers, welfare mothers, and all city residents—black, white and brown — suffer from substandard health care.

Community action, according to the Coalition, can generate more immediate improvement for its citizens than almost any national effort. Local successes would also stimulate needed national reforms.

The report urged the local urban coalitions that have been formed in nearly 50 cities to establish their own health task forces. But the Coalition emphasized that the study's findings and recommendations could be used in whole or in part by any local community organization concerned with the quality of health care.

These would include local chambers of commerce, labor and religious groups, local bus-



Dr. George A. Silver, Coalition Executive Associate for Health; John W. Gardner, Urban Coalition Chairman; and Dr. Roger O. Egeberg, Assistant Secretary for Health and Scientific Affairs of HEW at press conference to announce *Rx for Action*.

nessmen and women's organizations. The same consultant and technical assistance services that the national Coalition intends to make available to its local health task forces would be available to these groups. The Urban Coalition will consult with the major voluntary health organizations to obtain their cooperation.

The Coalition also plans to meet in a series of regional health conferences with local coalitions and other groups.

The report decried the lack of participation of the poor and the non-poor in health services planning and said that no serious effort had yet been taken to train individuals outside of professional groups in this area.

"In both the long and short runs," the report stated, "advances in the health field depend on the will of the American people."

The study emphasized that the "middle-class white community has been too infrequently represented in hospital board membership and in public health bodies, or even on the boards of voluntary agencies."

It said that the poor, specifically blacks, Mexican-Americans and Puerto Ricans, had been left out of the decision-making process. The Coalition urged more representation from these people on hospital boards, health and welfare councils, insurance bodies and public health advisory councils.

Following are some of the principal findings and recommendations of the report:

Malnutrition: With estimates placing the yearly cost of the consequences of malnutrition to the economy at substantially more than the \$3-4 billion needed to eliminate hunger, coalitions should work to make more of the proper food more readily available to the public.

Environment: The well-being of the urban poor is being directly threatened by bad housing and air and water pollution. Citizens groups should be formed to educate the poor on such basic matters as housing and health code requirements, their legal rights to services, safety practices and rat and vermin control.

Access to Facilities: More local money is essential to help meet the need of the many communities for more health facilities. Transportation systems and emergency ambulance services could be studied to see if they are geared to the needs of the poor.

Interpreters: Interpreters could be used in clinics and information centers for Spanish-speaking people.

Occupational Health Clinics: Hospital boards could arrange for the development of occupa-

tional health clinics to serve local industry and provide advice for health and safety programs for working people from the local community.

Manpower Deficiencies: Through the system of routine volunteer assignments, medical societies could undertake to supply doctors in areas where sufficient numbers are not available. Sub-professionals could be trained to handle many of the duties involved in health care.

The Coalition's study emphasized that many local programs could be immediately launched without waiting for action by the Federal government. But it also pointed out that effective local action will always have to be supplemented and strengthened by effective Federal action. The report called for a national system of financing medical care costs that will give every American access to services without any economic barrier.

Dr. Roger O. Egeberg, who is the Assistant Secretary for Health and Scientific Affairs, commented on the Coalition's recommendations. He said: "The country should be grateful to the Urban Coalition for this type of analysis of the nation's health needs, and planning for the nation's health services.

"The Coalition's proposal recognizes that solving the medical needs of America is not the job of the Federal government alone, but also requires effort and change by everyone."

In compiling its *Rx for Action* the health task force of the Urban Coalition has laid down a battle plan for the war against poor health care in the United States.

Copies are available from the Urban Coalition, 2100 M Street, N. W., Washington, D.C. 20037.

New Members Added to Coalition Steering Committee

Fourteen new members have been added to the Steering Committee of the Urban Coalition. The new additions to the Coalition's policy-making body include businessmen, mayors, a state senator and a physician.

The new members announced by Urban Coalition Chairman John W. Gardner are:

State Senator Joe J. Bernal of San Antonio, Texas. Senator Bernal, an educator and social worker as well as a legislator, is executive director of the Guadalupe Community Center in San Antonio.

Mayor Frank Curran of San Diego, California. Mayor Curran is president of the National League of Cities.

Hector P. Garcia, M.D., a Corpus Christi, Texas physician and a former commissioner of the U.S. Civil Rights Commission.

Ben W. Heineman of Chicago, president of Northwest Industries Inc. Heineman is chairman of the President's Commission on Income Maintenance.

Samuel C. Johnson, president of S. C. Johnson & Son Inc. and president of the Racine Environment Committee, a local urban coalition.

Mayor Eric Jonsso of Dallas.

Stephen F. Keating, president of Honeywell Inc., and former chairman of the Minneapolis Urban Coalition.

Donald M. Kendall, president of Pepsico, Inc., and chairman of the National Alliance of Businessmen, New York.

Mayor Richard Lugar of Indianapolis.

Donald S. MacNaughton, president of Prudential Insurance Co. and former chairman of the Newark Urban Coalition.

Mayor Jack D. Maltester of San Leandro, California. Maltester is also president of the U.S. Conference of Mayors.

James Roche, chairman of the board of General Motors Corp., and member of the board of trustees of the New Detroit Committee, an urban coalition.

H. I. Romnes, chairman of the board of AT&T, New York, Romnes is also vice-chairman of the National Industrial Conference Board and is a member of the Urban Coalition's task force on education.

Martin Stone, president of Monogram Industries Inc. and chairman of the Los Angeles Urban Coalition.

Mr. Gardner said the Urban Coalition adds to the Steering Committee periodically to assure broad and dynamic representation from the Coalition's constituent elements—local government, business, labor, minority groups and religion.



M. Carl Holman, vice-president of the Urban Coalition for Policy and Program Development; Peter Libassi, Coalition executive vice-president; and Nicholas deB. Katzenbach, former U.S. Attorney General and chairman of the Coalition's law and government task force discuss new approaches to the reform of the criminal justice system spelled out in the Coalition's report Taking the Blindfold off Justice.

Urban Coalition Action Council Supports Welfare Reform

"The time has come to discard the existing patchwork of ineffective and in many ways destructive public assistance programs. You have the opportunity to replace them with a national system of income maintenance that will help people to help themselves but preserve individual dignity in aiding those left behind by society."

With these words, John W. Gardner, Chairman of the Urban Coalition Action Council, began his testimony last month before the House Ways and Means Committee, which is considering President Nixon's proposals to reform the nation's public assistance programs.

At the same time, Mr. Gardner said the Urban Coalition and the Urban Coalition Action Council will give the issue top priority for the months ahead. "It is of the highest importance," he said, "that such lingering myths as the one that the poor in America are people who don't want to work—able-bodied loafers—be erased and that our public assistance programs be overhauled."

In his congressional testimony, Mr. Gardner termed the Administration's reform proposals "extremely important and on the whole well designed," but suggested strengthening them at several crucial points.

"If the proposals are accepted," he said, "the Federal government will for the first time in history accept responsibility for providing a minimum level of payment throughout the nation and for financing it. I would have been very proud had I been able to establish that principle during my tenure as Secretary of Health, Education and Welfare. It is an historic step."

Mr. Gardner also praised the proposals for their emphasis on children, their work incentive features and their greatly broadened coverage.

"Of special significance," he said, "is the inclusion of the working poor for the first time. The complete omission of the working poor is surely one of the strangest anomalies of the present system. A society which values work should surely make some provision for the six million adults who work full-time, year-round, and yet cannot earn enough to bring themselves above the poverty line."

"The strengths of the President's proposals," he said, "could lead us on to an immeasurably sounder and more equitable system of income maintenance. But if the promise of the propo-

sals is to be realized, they must be strengthened at a number of points," among them:

1. Provision should be made for "a nationwide increase in benefits to the poverty level over a specified period of time," with the \$1,600 floor proposed by the President serving as a starting point for a phased program.

2. "Adequate provision should be made for 'one-stop' administration of the proposed Federal-state system."

3. While "the improved benefits for the aged, disabled and blind are a welcome step," Mr. Gardner's statement said, "it may be that our ultimate goal should be a single income maintenance system which provides for uniform adequate assistance for all of our impoverished citizens, including needy individuals and couples without children."

4. "Given the elasticity of its tax base, and the economies of scale and efficiency offered by Federal administration, a shift of the welfare burden to the Federal government is clearly one means of resolving the fiscal dilemmas of state and local government."

5. The work requirement provisions of the legislation "should specify job standards and wage rates for 'suitable employment.'"

Finally, he said, "I would emphasize that there must be provisions for job creation, so that the training opportunities won't be a revolving door into continued unemployment. The ideal solution is a public service employment program."

While Mr. Gardner praised the work requirement proposals, he made it clear that there are limits to what can be expected of it.

"Many Americans sincerely believe that people living in poverty are people who don't want to work—or people who don't want *steady* work," he said. "In other words, able-bodied loafers. That is a long way from the truth. Of the 25 million persons living below the poverty line, 15 million are either under 18 or over 65."

"Of the remaining 10 million, nine million fall within the scope of the Administration's family assistance proposals (as being adults in poor families that include children).

"Let us look at that nine million. The Administration estimates that 7.9 million are already working, but earn too little to bring them above the poverty level, or are the wives of such men, or are disabled, or are women who must stay home because of very young children.

"That leaves 1.1 million adults who the Administration feels can significantly help themselves and would thus be required to register

for jobs or work training—600,000 men and 500,000 mothers of school-aged children.”

Mr. Gardner also emphasized that “no welfare program can cure underlying conditions.”

“The poverty that makes a public assistance program necessary,” he said, “is rooted in a variety of historical and contemporary conditions; discrimination, the pathology of the urban and rural slum, inadequate education, insufficient job opportunities in the locality, low pay in jobs not covered by the minimum wage, inadequate social insurance benefits, inadequate provisions for manpower training and so on.”

“If we are to get to the root of the problem we shall have to do so through education, health and nutrition programs, the creation of job opportunities, the elimination of slum conditions and similar measures.”

Mr. Gardner’s testimony, delivered by Ambassador George McGhee, special representative of the chairman, elaborated on the position taken in late June by the full Policy Council of the Urban Coalition Action Council.

Copies of Mr. Gardner’s testimony and of the Action Council booklet on welfare reform “Toward A Full Opportunity” are available from the Urban Coalition Action Council, 2100 M Street, N. W., Washington, D. C. 20037.

Coalition Begins Probe of Credit Practices to Low Income Consumers

A preliminary study which examines efforts by commercial banks, credit unions and retailers to make credit available to low-income consumers, has been made public by the national Urban Coalition. The study, entitled, “Consumer Credit and the Low Income Consumer,” was prepared after more than five months of field and research work by William G. Kaye & Associates, consultants in the area of consumer affairs.

A major finding showed that the poor can and do pay their bills. “The low-income consumer may at times encounter some difficulty in paying bills when due, but in the end, his performance in paying his full obligation is nearly as good as his more affluent suburban counterpart,” the report said.

The 105-page study formed the basis of a November meeting called by the Coalition to look at models that may be successful in extending credit to the poor. The meeting was chaired by Edward C. Sylvester, Jr., former Assistant Secretary in Community and Field Services, Department of Health, Education and



On a recent visit to the Greater Miami Urban Coalition, Chairman John Gardner met with Coalition leaders. He is shown here visiting with some of the minority representatives of the Miami Coalition.

Welfare, and attended by approximately 100 leaders from retailing, the poor, Federal agencies and the White House, banks, organized labor, social action groups, lawyers and consumer and credit organizations.

The report will be further considered at a series of regional meetings, the first of which took place in Minneapolis, December 7-8.

Mr. Kaye, former executive director of the President's Committee on Consumer Interests, stated that "Hopefully, this report—in addition to increasing the availability of low-income credit—will shed some light on the realities and mythologies about the performance of the low-income person in seeking, utilizing and repaying consumer loans and other forms of consumer credit."

Local Coalitions Get Fund-Raising Guidelines

Fund-raising guidelines will be the subject of two national Urban Coalition conferences for local coalition chairmen, fund-raising chairmen and executive directors.

At these "how-to-do-it" sessions members of the national Coalition's Financial Development Advisory Council and other experts will share their expertise in raising money—a vital ingredient behind any successful coalition program—with local leaders.

The first conference, to be held in Philadelphia in December, is for coalitions in the northeast and southeast regions. The other is planned for January for coalition representatives from the midwest and west.

Conference speakers will highlight the keys to successful fund-raising: identifying community leaders; developing a "case"; organizing volunteers for fund-raising, and the "nuts and bolts" of solicitation.

Based on these guidelines, workshops will enable coalition representatives to pinpoint areas for further guidance and to exchange experiences.

The 29-member Financial Development Advisory Council comprises top financial development officers from colleges and universities across the country. One of its primary roles is to counsel local coalitions in organizing successful fund-raising programs. Thus far Council members have individually advised coalitions in 13 cities.

Coalition staff support for the Advisory Council and national fund-raising efforts is pro-

vided by David M. Thompson, Assistant to the Chairman; Douglas Lawson, Financial Development Officer; and Walker Williams, Associate Financial Development Officer.

Newark Love Festival Salutes "The Summer Thing"

Through efforts of the Greater Newark Urban Coalition, New Jersey's largest city had a Love Festival on October 5th. A video tape replay of the event was shown on an hour-long, prime-time, NBC national telecast on November 14th.

Based on a series of free, outdoor concerts first given in Harlem, the Love Festival was brought to Newark by WNBC-TV, which secured the help of the Harlem Festival producer, Tony Lawrence. The Love Festival was WNBC's way of honoring Newark's Recreation Planning Council, better known as *The Summer Thing*.

The Newark Love Festival turned out to be quite an autumn event. It turned on as one of the largest happenings in the city's 302-year history. Between 70,000 and 100,000 "beautiful, beautiful people" attended.

Not a single incident marred the massive outdoor spectacular held in Newark's Weequahic Park. For six hours, rock bands, folk and soul singers, comedians and mod entertainers gave performances. Twenty thousand phonograph records were given away. WNBC said the Love Festival was "a major community relations project."

The community effort grew out of Newark Coalition president Gustav Heningburg's plea to New York television stations, just 10 miles away, to devote some coverage to Newark's brighter side. The city had received considerable adverse publicity since the 1967 riot. In response, WNBC-TV Channel 4, asked Heningburg to suggest an activity worth televising that might offset coverage of Newark's problems. Heningburg's recommendation was the Recreation Planning Council or *The Summer Thing*, a program which involves ghetto youth in recreational opportunities.

The Summer Thing was born in late May as Newark looked toward another long hot summer with little in the way of programs to offer out-of-school, inner-city youth.

Supported by the Newark Coalition's Steering Committee, Heningburg put together a prestigious, five-man, voluntary group of co-chairmen. It included both deputy mayors, Paul

Reilly and Lewis Perkins. The representative of business and industry was Al DeRogatis, a Prudential Insurance Company vice president and former football great. John Scagnelli, a vice president of the Council of Social Agencies, served as delegate for more than 150 United Fund agencies and State Assemblyman George Richardson, a black legislator, represented the coalition.

Office space was donated by the Newark Housing Authority. One of the local manpower programs donated office equipment. The Newark Chamber of Commerce agreed to raise \$234,000.

The Summer Thing contacted more than 100 community organizations asking them to submit their recreation proposals. Through careful screening and much negotiation, the co-chairmen approved 29 proposals for funding.

In less than six weeks, an office was set up, a volunteer staff was secured, work began on fund raising and a directory was compiled of more than 70 community-sponsored youth programs, public and private. A communications center was established to which anyone could call on any given day and get a listing of recreational activities going on in town. The center also published a daily newsletter listing special events of the day for distribution to almost 100 points in the city. Local radio station WNJR taped and broadcasted daily events all through the summer.

By the end of the summer, the Chamber of Commerce raised almost \$200,000. The Engelhard Foundation provided the first \$1,000 and an additional \$57,000 came from the New Jersey State Department of Community Affairs.

More than 50,000 youngsters participated in *The Summer Thing*. By Labor Day, it was clear that partially-polarized Newark could get diverse people to work together and get things done well and fast.

NBC, impressed with *The Summer Thing*, looked for a fitting salute. It hit upon the Love Festival concerts in Harlem that had attracted hundreds of thousands of New Yorkers. Tony Lawrence agreed to get the talent and WNBC promised to film the gala for television.

The Recreation Planning Council was asked to secure a suitable outdoor location and help attract crowds that would reflect the black/white cooperation that made *The Summer Thing* so meaningful to Newark.

In a scant three weeks, hundreds of details had to be handled. For the first time, the Newark police cooperated with the Black Panthers in crowd control. The city administration and

participation of social agencies "was a joy to behold," stated Heningburg. Medical school interns worked with welfare mothers, hip teenagers manned lost and found stations with senior citizens, radical students and conservative professionals joined hands to organize shuttle buses. Ideological, age, language, and racial differences seemed unimportant and for that afternoon friendship, love and pride prevailed and *everybody* "Gave A Damn!"

Shortly after the November 14th national telecast, Gus Heningburg went down to Fayette, Mississippi to help black Mayor Charles Evers plan a Thanksgiving Day, Love Festival for his town.

New Jersey Newsphotos



Gustav Heningburg, president of the Greater Newark Urban Coalition at the Newark Love Festival.

Call For Action Director Named

R. Alexander Grant, the former national director of recruitment for VISTA (Volunteers in Service to America), has been named as the Executive Director of "Call for Action".

"Call for Action" is a project in cooperation with the national Urban Coalition, and is operated by a radio station and a staff of volunteers in a number of cities.

Mr. Grant was born in Newark, N. J. in 1933. He has a B. A. from Bloomfield College and an M. A. from Montclair State College.

In announcing Mr. Grant's appointment, John W. Gardner, the Coalition's Chairman, said the Coalition hoped to have "Call for Action" programs working in 8-10 cities throughout the country by the end of the year.

Under the project, individuals may call local radio stations for referral to the proper agencies for help with such problems as poor housing, crime, narcotics, hospital care and sanitation disposal.

"Call for Action" was begun at radio station WMCA in New York City by Mrs. R. Peter Straus, wife of the station's owner and co-chairman of the nationwide program.

The project is now on the air in New York, Chicago, Denver and Utica.

Mr. Grant's duties will include policy formulation and coordination for the various "Call for Action" projects.



R. Alexander Grant

Grass Roots News

The Greater Kansas City Urban Coalition has inaugurated a program of tours of the inner-city to give interested citizens, particularly white suburbanites, a first hand view of inner-city housing, schools, business development and recreation facilities. Small groups travel in a modified bus, are given a running description of inner-city conditions, and told of the activities of the Urban Coalition. The tours began with the Greater Kansas City Urban Coalition board of directors and has since included members of the Real Estate Board and service clubs.

The Greater Kansas City Urban Coalition has formed a women's task force, believed to be the first such among local coalitions. The task force is involved in a project with the Welfare Rights Organization and will concentrate in the housing field in 1970.

The Greater Kansas City Urban Coalition is publishing a voter information booklet for the January 20 school board elections, reviewing the qualifications of the candidates and containing their views on key issues.

The new South Bend Urban Coalition already has received preliminary reports from five task forces and this month expects final reports outlining action programs for 1970. The task forces are for education, housing, employment, racial attitudes and conflict, and youth.

Mayor Carl Stokes of Cleveland has announced plans for a "Call for Action" program on station WERE under the coordination of the Cleveland Urban Coalition. "Call for Action" programs, now in operation in several cities, enable listeners to call volunteers at the station to register complaints about deficient city services. The Cleveland program will begin early in 1970.

The Urban Coalition of Minneapolis has a new president, Phillip Harder, senior vice president of the First National Bank. He succeeds Dean McNeal, vice president of the Pillsbury Company, whose term expired.

The Mayor of Winston-Salem, North Carolina proclaimed the week of December 8-12 as "Family and Child Development Week" in conjunction with a project sponsored by the Day Care Association of the Urban Coalition with the co-operation of other child-related agencies. Symposia on child development and educa-

tion were held throughout the week for parents, school administrators, businessmen, representatives from social service agencies and other interested groups.

The housing task force of the Greater Miami Coalition has completed development of a curriculum for a new course offered at the University of Miami on housing management. The 15-week course followed by on-the-job-training will open up new careers for disadvantaged persons in the management of housing complexes. Key feature of the plan is job commitments for those finishing the course.

The El Paso (Tex.) Urban Coalition has been holding open forums each month on problems affecting the El Paso community. The forums, officially known as Area Council Meetings for Public Information, have dealt with such matters as police protection, street paving, housing, schools and public safety.

The Riverside (Calif.) Coalition, under its vivacious and energetic executive director, Mrs. Ruth Pepe, has convinced the school system that it doesn't have to keep going to such far-away places as Arizona and Texas to hire minority teachers. Through a program set up as a result of coalition efforts five black instructors have been trained and hired from within the Riverside community.

The bail reform program of the Riverside Coalition, operating since mid-September, has reduced the average length of jail stay from 37 to 4 days. Five coalition representatives were among the Riverside officials attending the national Coalition's briefing on new approaches to criminal justice in New York in April; liked what they saw, convinced the Riverside police department to give bail reform a try and since its inception, nearly 60 persons have been released on their own recognizance under the project.

In San Ysidro (Calif.), a small, green colored stucco house has been converted into a health clinic for some 7,000 Mexican-Americans. The clinic treats about 150 persons a week and operates with one full-time nurse, Miss Jeannie Powers. The San Diego Coalition played a major role in creating the clinic and also refurbished and furnished the entire house.

In San Antonio, (Tex.) the coalition has formed a group that it calls the "clearinghouse committee." The committee is interviewing ghetto residents

to determine their major grievances. This information is presented to the businessmen on the coalition's steering committee, who then take it to the city agency that can do something about the problems uncovered in the interviews.

Three VISTA lawyers, working under a program co-sponsored by the national Urban Coalition began working in Denver in mid-October. They're working on bail reform.

"Call for Action" got off to an action packed start in Denver in late October with radio station KLZ getting about 150 calls in its first week of operation.

New Urban Coalitions

Since the end of the summer local coalitions have sprung up all over the map. The five newest are South Bend, Rhode Island, Wilmington, El Paso and Chattanooga.

Officially the South Bend (Ind.) coalition is known as the St. Joseph County Urban Coalition. The local Chamber of Commerce in South Bend is staffing the coalition while the search goes on for a full-time executive director. The coalition's chairman is Frank Sullivan, chairman of the board of Frank Sullivan Associates, an insurance firm.

Rhode Island shows there may be some advantages to being small, at least in the sense of coalition. The Rhode Island coalition is the only statewide coalition. It has an executive director-designate, Anthony Agostinelli and a president, Elwood E. Leonard Jr. Leonard is president of the H & H Screw Company, and also chairman of the United Fund Drive.

Wilmington (Del.) is looking for an executive director. Rodney Layton, a Wilmington attorney and vice-chairman of the United Fund in that city is chairman of the new coalition.

In the west Texas town of El Paso they call the coalition the Council for Social Action because that was what it was called before it became a local urban coalition in the beginning of September. Three weeks after it was recognized as a coalition by the national, William Pearson, El Paso's executive director was in Washington with 30 other local executive directors. They met with John W. Gardner.

The Reverend James I. Oliver is the chairman of the coalition, which is the third in Texas.

The others are San Antonio and Corpus Christi.

In Chattanooga they had to wait more than two years before a coalition was actually formed. Interest in creating a coalition in that southern city began with the August 1967 convocation of 1,200 of the nation's leaders that gave birth to the national Urban Coalition.

Co-chairmen of the new Chattanooga coalition are John Slack, general manager of Com-

bustion Engineering and Roy Noel, city youth coordinator. One of the members of the Steering Committee is Mrs. Ruth S. Golden, publisher of the *Chattanooga Times* and sister-in-law of Andrew Heiskell, chairman of the board of Time, Inc. and co-chairman of the national Urban Coalition.

See page 11 for complete list of established urban coalitions.

Miami Case Study

Last fall there were some 340 serious disturbances in high schools in 38 states. One of the most serious—in terms of potential consequences—occurred in Dade County (Miami), Florida, where an integration dispute at Palmetto High School threatened to escalate into a black student boycott of the entire school system.

Trouble was averted, however, when the school board asked the Greater Miami Coalition to step in, establish the facts and make recommendations. A panel of inquiry named by the Coalition did so—quickly and decisively. Its report resulted in important reforms not only at Palmetto, but at other schools in the district, prompting one newspaper editor to comment that “a major breakthrough in better race relations” had been made in Miami education.

A case study of the episode and its aftermath will be published by the Urban Coalition this year. The study will describe the dispute, its resolution, and the key role played by the Greater Miami Coalition.

Copies will be available from the national office of the Urban Coalition.



Miami Coalition Panel of Inquiry members Garth Reeves, publisher of the Miami Times; Henry King Stanford, president of the University of Miami; and John Halliburton, president of the Greater Miami Urban Coalition and a vice president of Eastern Airlines.

What They Are Saying

Frederick J. Close, chairman of the board of the Aluminum Company of America, to the annual meeting of the American Mining Congress:

“All [urban coalitions] offer the businessman a unique opportunity to involve himself in a grass-roots, down-to-earth operation that enables him to apply his problem-solving abilities to problems that demand solution as much as they often seem to defy it. They help him to really understand what the problems are and what it will take to get at them. In short, they give the businessman a chance to show that our system can work for everybody. It's a chance that many more businessmen ought to take. I think they are taking a far bigger chance if they don't.”

Ambassador George C. McGhee, special representative of the chairman, the Urban Coalition, to the St. Louis Round Table:

“A turn-around must be made and a start towards a reordering of the priorities which will bring up to adequate levels the basic requirements for our national life. In this process other public expenditures, which have hitherto enjoyed high priorities, must be reduced.”

Charles W. Bowser, executive director of the Philadelphia Urban Coalition, to a conference of the National Municipal League:

“The direct involvement of the corporate citizen in the initiation and formation of the national Urban Coalition was clear evidence that the corporate commitment to help was emanating from self-interest, rather than the traditional charitable concern. This recognition of self-interest in the solution of the nation's urban problems is, in my opinion, the most dramatic result of the urban crisis of the sixties.”

Martin Stone, chairman of the board of Monogram Industries Inc. and chairman of the Greater Los Angeles Urban Coalition, at com-

mencement exercises of Immaculate Heart College:

"Each day that we postpone reconciliation of our actions with objectives motivated by a desire to restore quality of life to our nation, we come a step closer to inevitably extremist solutions. Almost invariably we hide our heads in the sand until our problems become crises which cannot be solved without painfully extreme remedies."

Charles B. Wade Jr., vice president of R.J. Reynolds Tobacco and chairman of the education committee of the Winston-Salem Urban Coalition, at the First Anniversary Meeting of the Norfolk Urban Coalition:

"Leadership is an attitude, an ability to size up a situation, and then make a decisive move rather than sitting back and doing something after the fact. It's easy to find leaders after something happens, they rise to the occasion, but it's something else to marshal people with foresight, with the ability to see an oncoming crisis and make a concrete move for the good of the community to avoid a potential problem."

Arthur Naftalin, professor of public affairs, University of Minnesota, former mayor of Minneapolis, and Coalition Steering Committee member, to the conference of the National Association of Housing and Redevelopment Officials:

"A few months ago the housing authority submitted a request to the city council to increase from 250 to 500 the number of homes it might acquire under the low-rent housing program for scattered site housing and that acquisition be permitted citywide. The council approved the increase but refused to allow citywide acquisition, restricting the program to officially-declared renewal areas. This action struck me as a rather open act of discrimination and I vetoed the entire measure, risking the loss of the additional units. At this point our Urban Coalition of Minneapolis, in which many top business leaders actively participate, called upon the council to sustain my veto and to accede to the authority's original request. The council accepted the coalition's urging and we accomplished a social gain that simply would not have been possible without the interest of key businessmen. We may be the only city in the nation in which public housing is possible on an unrestricted city-wide basis..."

Established Local Urban Coalitions

California

Fresno
Los Angeles
Pasadena
Riverside
Sacramento
San Diego
San Jose
Stanford Mid-Peninsula

Colorado

Denver

Connecticut

Bridgeport
Hartford
Stamford

Delaware

Wilmington

District of Columbia

Florida

Miami

Illinois

Springfield

Indiana

Gary
South Bend

Louisiana

New Orleans

Maryland

Baltimore

Massachusetts

New Bedford
Pittsfield

Michigan

Detroit
Saginaw

Minnesota

Minneapolis
St. Paul

Missouri

Kansas City

New Jersey

Montclair
Newark
Plainfield

New York

New York
Niagara Falls
Westchester County

North Carolina

Winston-Salem

Ohio

Cleveland
Lima

Oregon

Portland

Pennsylvania

Erie
Harrisburg
Philadelphia
Reading

Rhode Island

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Report

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Chairman

ANDREW HEISKELL
A. PHILIP RANDOLPH
Co-chairmen

LOWELL R. BECK
Executive Director

December 24, 1969

The Honorable Ivan Allen, Jr.
Mayor of the City of Atlanta
City Hall
Atlanta, Georgia 30303

Dear Ivan:

Several days ago the Senate voted 53 to 35 to allow foundation funds to be used for voter registration programs, thus overriding the Finance Committee's move to prohibit the use of tax-exempt funds for this purpose. We had asked your help on this important issue, and many of you responded.

Two weeks ago the federal anti-poverty program was threatened by a move in the House of Representatives to channel all federal anti-poverty funds and programs through state governors. This amendment would have had a serious impact on many urban programs. A delegation from our Policy Council called on Secretaries Finch and Shultz, OEO Director Rumsfeld, and several members of Congress to urge continuation of the present anti-poverty program.

In addition, telegrams signed by each Policy Council member attending last week's meeting were sent to President Nixon and each member of Congress. Local coalitions were urged to support the campaign to save OEO. Many local coalition officials contacted their Congressmen immediately.


These efforts capped the very effective work that many policy Council members and their representatives, together with other organizations, had been doing for several weeks. We are very pleased to report that on December 12 the House rejected the amendment which we opposed and voted to extend present OEO programs.

The last two weeks have shown us what can be done when many work together to accomplish a common result. We are grateful to those who took part in this effort.

Sincerely,

John W. Gardner

Chairman



HOUSE BARS SHIFT ON POVERTY PLAN

Liberals Block G.O.P. Move
to Give Rule to States

By MARJORIE HUNTER

Special to The New York Times

WASHINGTON, Dec. 12 — Democratic liberals succeeded tonight in blocking a Republican move that would shift control of a key antipoverty program to the states. The vote was 231 to 163.

The action marked a stunning defeat for a powerful coalition of Republican and Southern Democrats seeking to give Governors control over the community action programs.

Earlier, Democratic leaders had sent up a loud cheer when they learned they had defeated the state-control plan by a non-recorded vote of 183 to 166.

Backers of the state-control plan then made a final try, failing this time on the 231-to-163 roll-call vote.

The bill—calling for a two-year, \$2.343-billion extension of the antipoverty program virtually unchanged—then passed the House by a vote of 276 to 117. The bill now goes to conference with the Senate, which passed a similar measure earlier this fall.

Throughout the day-long debate, Democratic liberals all but conceded that they did not have the votes to turn back the usually dominant coalition of Republicans and Southern Democrats.

Yet they scored a double victory, not only blocking the state-control plan, but also succeeding in retaining \$295-million added in committee to the Administration's proposed \$2.048-billion bill.

It was apparent that many Republicans, confident of victory, had decided their votes would not be needed and had left for home before the crucial vote.

For days, Democratic liberals had insisted that President Nixon alone held the key to the future of the antipoverty program. He had called for a simple two-year extension of the program, without changes.

However, with the House Republican leadership firmly committed to shifting control to the states, the President did not personally seek to line up Republican support for a simple two-year extension.

Instead, at his news conference on Monday, Mr. Nixon said he hoped that his antipoverty director, Donald Rumsfeld, could take some kind of "accommodation" with critics of the program.

Heeding the President's advice, sponsors of the state-control plan modified their earlier proposal by permitting the director of the Office of Economic Opportunity greater leeway in overriding vetoes of Governors over local community action programs.

They also provided the O.E.O. director with several methods of by-passing states that failed to adequately fund local programs.

Even with these modifications, Mr. Rumsfeld spoke out today against the Republican substitute proposal.

Exemptions Pile Up

In hour after hour of debate today, several moderate Republicans and Democratic liberals stripped the state-control plan even further.

The Head Start program of pre-school training for the poor was exempted from state control by voice vote.

The family planning program was also exempted by a vote of 75 to 26.

And the House voted, 96 to 41, to exempt from state control all community action programs on Indian reservations.

In the end, the proposed state-control plan was limited primarily to non-Indian community action programs and to Volunteers in Service to America (VISTA).

Of all the antipoverty programs, enacted five years ago under a Democratic Administration, community action has drawn the most fire, particularly in urban areas where the newly organized poor have staged rent strikes and other demonstrations.

This year, the antipoverty agency has funded 969 community action programs serving about six million poor in some 2,000 counties, both urban and rural.

The community programs vary from place to place, offering such aid as health services, emergency food and medical services, aid to migrant workers, legal services and consumer counseling.

OEO Gets New Life in House Vote

By SHIRLEY ELDER

Star Staff Writer

In an upset that startled nearly everyone involved, the House has voted to give the Office of Economic Opportunity a two-year, \$2.3 billion lease on life.

It was a rebuff to House Republican leaders, a victory for former member, OEO Director Donald Rumsfeld, and a mixed blessing for President Nixon.

The key vote came yesterday on a motion to substitute a bill shifting most OEO programs to the states. It lost, 231 to 163.

The antipoverty measure then was approved, 276 to 117, and sent to a conference with the Senate.

"I am pleased and darn grateful," Rumsfeld said after the vote.

He said he would work for continued reform within OEO and said the bill's approval shouldn't be interpreted as full approval of what has gone on in this agency."

Although Nixon had asked Congress for a simple two-year, \$2-billion-a-year extension of OEO, his support in recent days was seen as less than enthusiastic. At his press conference last Monday the President said he backed Rumsfeld but urged him to seek an accommodation with House leaders.

There was no evidence that the White House took an active role in lobbying for the bill. Rumsfeld carried the fight in dozens of meetings with congressmen, frequently urging that he be given a chance to correct OEO problems on his own.

Vote for Substitute

On the House floor, the opposition was led by GOP Leader Gerald R. Ford of Michigan and William H. Ayres of Ohio, the top Republican on the Education and Labor Committee.

They joined forces with Southern Democrats behind a substitute bill drafted by Reps. Albert

H. Quie, R-Minn., and Edith Green, D-Ore., that would have sharply changed OEO's course.

Up to the moment when House members filed down the center aisle in an unofficial "teller" vote, friends and foes of OEO alike were predicting victory for the substitute.

Ayres, who acted as floor leader for the Quie-Green bill, said he knew they were losing when clusters of Republicans and conservative Democrats joined OEO supporters. The "teller" vote was 183 to 166.

Ayres called the vote a personal triumph for Rumsfeld and sent him a telegram: "The Rumsfeld Raiders rode again. Congratulations. Good luck on the mess you inherited but don't say you didn't ask for it."

Rep. Joe D. Waggoner, D-La., a leader of the Southern forces, said many congressmen from Border States broke away

from the substitute bill, even though critical of OEO, because they did not want to turn antipoverty programs over to Republican governors. He mentioned Arkansas, West Virginia, Oklahoma, Florida and Kentucky.

Ayres said he had assumed that nearly all Republicans, long committed to decentralization of federal programs, would vote for the substitute. In the end, 63 Republicans voted against it.

A breakdown on the key vote shows those 63 Republicans joining 168 Democrats against the substitute and 60 Democrats voting with 103 Republicans for it.

Both Reps. Joel T. Broyhill, R-Va., and William Scott, R-Va., voted against extending the antipoverty program. Reps. Lawrence J. Hogan, R-Md., and Gilbert Gude, R-Md., voted for it on final passage, although Hogan voted for the earlier substitute.

Credit for the OEO victory also must go, Waggoner said, to OEO itself and its constituency in urban areas where opposition to the substitute was organized hurriedly over the last week.

Telegrams, letters and telephone calls from mayors all added up. "After the pressure was on, we never had a chance," he said.

Began A Week Ago

The pressure began more than a week ago when Quie and Mrs. Green unveiled their substitute bill. Debate was scheduled for the next day but Education and Labor Committee Chairman Carl D. Perkins, D-Ky., yanked the administration bill off the calendar to bargain for time.

As yesterday's long day of poverty talk began, OEO critics were optimistic and its defenders gloomy. Both Democratic whip Hale Boggs of Louisiana and Majority Leader Carl Albert of Oklahoma said they did not have the votes to win.

Perkins said strong Republican support was essential for victory. He urged at least 55 Republicans to "come forward and support your President." No one expected that anywhere near 63 would answer the call.

The tone of the debate reflected the prevailing attitudes. OEO backers offered little resistance to the substitute. A few relatively minor amendments were adopted. There were frequent shouts of "vote, vote" to keep the action moving.

The substitute would have given governors a veto over VISTA and community action programs and would have permitted states to establish separate agencies to operate the anti-poverty program.

Head Start Funds

The bill that passed leaves OEO as it is and authorizes \$295 million extra for Head Start, job training and health services.

The bill now goes to conference with a similar Senate version passed Oct. 14 that authorizes \$4.8 billion over two years.

Joining in the end-of-session rush, the Senate Appropriations Committee went ahead yesterday and put nearly \$2 billion into an appropriation bill for OEO even though final action on the authorization cannot come until some time next week.

House Extends Antipoverty Law

By Richard L. Lyons
Washington Post Staff Writer

The House voted to extend the war on poverty through mid-1971 last night after rejecting—in a spectacular upset—a proposal to give the states control over most anti-poverty programs.

The state-control plan, supported by most Republicans and Southern Democrats, was defeated 231 to 163 on a roll call vote.

The House went on to pass the bill extending the life of the Office of Economic Opportunity by a vote of 276 to 117. The bill now goes to a House-Senate conference where the major difference is a Senate amendment giving governors a veto over legal services for the poor.

Rejection of the state-control plan was a shock to both supporters and opponents. Its approval had been conceded in advance by almost everyone, especially after its sponsors offered last-minute concessions.

President Nixon had asked for a simple extension of the present program. But when the bill was taken up yesterday after six months of maneuvering, his principal support came from liberal Democrats who distrust the ability or will of the states to operate meaningful antipoverty programs.

Donald Rumsfeld, director of the Office of Economic Opportunity, which runs the program, strongly opposed the state-control plan. At his news conference Monday night, the President expressed support for Rumsfeld, but also expressed hope that an "accommodation" could be reached. This made it seem even more likely that some version of state control would pass the House.

Several reasons were offered for defeat of the state-control plan. One was that the week's delay Democrats won when the substitute was introduced last week allowed time for a mail and personal lobbying campaign.

A number of conservative Democrats from states with Republican governors voted against turning the program over to them. Some Republican votes probably went to Rumsfeld, their former colleague, as a personal matter.

And several members who had voted against a strong voting rights bill Thursday switched to oppose state control, perhaps not wishing to cast what could be regarded as votes against the poor on consecutive days.

On the key vote, 163 Democrats and 63 Republicans voted against state control,

while 103 Republicans and 60 Democrats voted for it.

OEO deals directly with communities, with a minimum of state supervision. The substitute proposal would have permitted governors to take control of most of the controversial programs that come under the umbrella of community action on the local level.

It was chiefly a desire to get tighter control over the local programs, which the poor themselves help run, that motivated the campaign for state control.

Supporters of state control insisted that they were not trying to dismantle OEO, but rather were trying to give authority to state officials who have a better grasp of problems in their states.

But when Rep. William H. Ayres (R-Ohio), a leading cosponsor of the state-control plan, was asked by reporters if it wouldn't take away most of OEO's authority, he said:

"We are only taking away his (Rumsfeld's) canoe. He's still got his paddle."

In an effort to attract votes of moderate Republicans supporting Rumsfeld, a former member of the House, the state-control forces offered yesterday to make concessions that would give him some power to act if states did not operate effective programs.

But Rep. Carl Perkins (D-Ky.), chairman of the House Education and Labor Committee and floor manager of the administration's extension bill, called the revised substitute "as destructive" as the original state-control plan.

Speaker John W. McCormack (D-Mass.) urged defeat of the substitute, saying the issue was one of "money values versus human values."

OEO Backers Fought Alone

By Eve Edstrom

Washington Post Staff Writer

Of all the strategy meetings that took place during the week that the Office of Economic Opportunity won the battle for its life in the House, one unpublicized session is fast becoming the talk of the town.

It was set up by the Leadership Conference on Civil Rights and took place on Capitol Hill. As 11th-hour assignments to gain Congressional support for OEO were about to be made, an extraordinary precautionary move was taken.

The representative from OEO was asked to leave the room.

"We couldn't take any chances," one civil rights legislative technician said. "We just couldn't be sure OEO was walking down the same side of the street with us."

Despite statements by OEO Director Donald Rumsfeld that the Nixon administration stood behind its bill to keep OEO intact, there were numerous reasons why OEO's chief supporters distrusted the administration.

At a news conference Dec. 8, President Nixon had expressed hope that an "accommodation" could be reached on the OEO legislation.

To many OEO supporters, this meant that some version of a substitute bill giving control of most OEO programs to the states would be acceptable to the administration.

Efforts by the Nation's mayors and Urban Coalition Action Council members to get Mr. Nixon to make a strong statement against the substitute bill failed.

And labor and civil rights legislative technicians were frustrated by OEO's failure to even come up with a head count of Republicans who could be relied on to vote against the substitute.

"The only thing that makes sense is to share information," the AFL-CIO's Kenneth Young said. "But we got next to nothing from OEO."

"This is just the opposite of what happened in the last few days when we worked closely with the Department of Health, Education and Welfare against the

Whitten amendment to curtail Federal school desegregation powers."

The Urban Coalition Action Council's Lowell R. Beck found it highly unusual that there was no overall administration strategy to guide those who were fighting for OEO.

'Not the Main Cog'

"I've been around here for 10 years and you usually work to supplement and support administration efforts," he said. "You're not the main cog in developing strategy to pass administration legislation."

But those working for OEO's survival found they not only were the "main cog" in mapping out strategy but that some of their efforts were being scuttled by OEO representatives.

While the coalition of OEO supporters was working to kill the state-control substitute, OEO was consulting with House members on amendments to make the substitute more palatable.

"We were violently opposed to perfecting the substitute and history proved

us right," civil rights leader Joseph L. Rauh Jr. said. "The administration was ready to settle for much less."

Therefore, the OEO representatives was asked to leave the Leadership Conference meeting on Dec. 10, because supporters of OEO felt it unwise to share their strategy with the agency.

'In The Dark'

"They let us work in the dark," one civic leader said. "I get sick every time I read how the administration pulled off a great legislative coup."

"A lot of blood, sweat and tears went into this battle, but it would have been as easy as pie if we had received White House support."

No one discounts the fact that Rumsfeld was highly successful in preventing some of his former colleagues in the House from handing most of the poverty programs over to the states when the crucial vote came on Dec. 12.

But numerous other factors were involved. Not to be underestimated is the fact that 38 members who had voted to scrap a strong voting rights law the previous night switched to oppose state control of the poverty programs.

"They just didn't want to fire two bullets in a row at the poor," one observed said. "It's entirely possible that we could have won the voting rights fight and lost the poverty one if the legislation had been taken up in reverse."

Of equal importance was the intensive lobbying effort that the Nation's mayors conducted against taking poverty programs away from local officials.

Their effort was similar to that mounted by the American Bar Association when it was responsible for knocking out a Senate-passed amendment to give governors control of legal programs for the poor.

And in all the hubbub over the poverty bill, scant attention was paid to the role that the governors did not play.

With few exceptions, the governors did not embrace the idea of being saddled with OEO. As one reportedly said:

"Hell, who wants to have the Statehouse blamed for OEO's problems. It's much easier to blast Washington."

THE URBAN COALITION ACTION COUNCIL

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YMF
JOHN W. GARDNER
Chairman

ANDREW HEISKELL
A. PHILIP RANDOLPH
Co-chairmen

LOWELL R. BECK
Executive Director

November 21, 1969

Honorable Ivan Allen, Jr.
Mayor of the City of Atlanta
City Hall
Atlanta, Georgia 30303

The Dear Sweet

Dear Mayor Allen:

I am enclosing for your information recent Action Council testimony on the two closely related issues of welfare reform and food stamps. John Gardner's statement on welfare was presented to the Ways and Means Committee by George McGhee. In his capacity as special counsel to the Action Council, Mr. Stephen Kurzman presented our position on food stamps before the House Committee on Agriculture.

I would appreciate receiving any comments you may have on the positions stated in this testimony.

Sincerely,

Lowell R. Beck

Lowell R. Beck

November 10, 1969

MEMORANDUM TO THE PRESS

FROM JOHN W. GARDNER

CHAIRMAN

THE URBAN COALITION ACTION COUNCIL

I wanted you to have an advance copy of my testimony before the House Ways and Means Committee on the pending welfare reform legislation. A long-standing commitment will prevent my personal appearance at the hearing on the date made available by the Committee; but the testimony will be presented by one of my associates.

It is of the highest importance that we get sound legislation in this field. We are faced with an extraordinary opportunity to replace our ineffective, even destructive, public assistance programs with a national system of income maintenance that will help people help themselves and give hope and dignity to those left behind by society.

The Urban Coalition and the Urban Coalition Action Council will give the issue top priority for the months ahead.

FOR RELEASE UPON
DELIVERY
THURSDAY A.M.
NOVEMBER 13, 1969

Statement of

JOHN W. GARDNER, Chairman
The Urban Coalition Action Council

As Presented By

GEORGE C. MCGHEE
Special Representative of the Chairman

before the

Ways and Means Committee
United States House of Representatives

November 13, 1969

Mr. Chairman, your committee is faced with an extraordinary opportunity. The time has come to discard the existing patchwork of ineffective and in many ways destructive public assistance programs. You have the opportunity to replace them with a national system of income maintenance that will help people to help themselves but preserve individual dignity in aiding those left behind by society.

The Need

The need is manifest. This Committee knows all the facts and statistics of poverty.

You know the cost of welfare, but you know also the great cost to society of human neglect. The child whose health needs are denied early medical attention because of poverty may suffer a lifelong handicap and become a lifelong burden to the community. The child whose attitudes and motivation are shaped by the pathology of extreme poverty may become a delinquent or derelict or addict

and end up as a burden on society. The cost to society is not to be compared with the human cost. But those who calculate social costs (and someone must) know that for society the day of reckoning always comes. It requires a lot of money to maintain jails, to rehabilitate addicts, to support the victims of early neglect. We can serve human values and social providence at the same time by making such casualties less likely.

Many Americans sincerely believe that people living in poverty are people who don't want to work -- or people who don't want steady work. In other words, able-bodied loafers. That is a long way from the truth. Of the 25 million persons living below the poverty line, 15 million are either under 18 or over 65.

Of the remaining 10 million, 9 million fall within the scope of the Administration's family assistance proposals (as being adults in poor families that include children). Let us look at that 9 million. The Administration estimates that 7.9 million are already working, but earn too little to bring them above the poverty level, or are the wives of such men, or are disabled, or are women who must stay home because of very young children. That leaves 1.1 million adults who the Administration feels can significantly help themselves and would thus be required to register for jobs or work training -- 600,000 men and 500,000 mothers of school-aged children.

I emphasize those facts because they suggest the limits of what we may expect from the work requirement. Those who cherish

the false notion that the welfare rolls are made up chiefly of able-bodied loafers could easily imagine that the present proposals will bring a sharp reduction in the rolls. If they believe that, they will end up disappointed and angry, because it won't happen. Most people who now receive welfare or would receive it under the new proposals are not candidates for the job market. As the above figures indicate, either they are already working or they are too old, too young, disabled, or mothers of young children.

I need not deal at length with the well-know shortcomings of the present welfare system (or non-system). In 70% of the families receiving benefits the fathers are absent from the home. To the degree that the welfare system has helped to create such a situation it endangers the fabric of our family based society. And clearly a system in which an American in one state can receive only one eighth of that which his fellow citizen with the same need receives in another state falls far short of any reasonable standard of equity.

The level of welfare benefits paid in most states clearly will not help any child to escape from poverty. We know, from official statistics, that in only two of the states do AFDC families receive aid at the \$3,500 a year (for a family of four) poverty level, and in less than half (21) do they approach 75% of the poverty threshold. The average for all states and the District of Columbia is almost \$1,200 below the poverty line.

Before we consider how the present system might be improved, I'd like to comment on what may or may not be expected from a welfare program.

The poverty that makes a public assistance program necessary is rooted in a variety of historical and contemporary conditions: discrimination, the pathology of the urban and rural slum, inadequate education, insufficient job opportunities in the locality, low pay in jobs not covered by the minimum wage, inadequate social insurance benefits, inadequate provisions for manpower training and so on.

No welfare program can cure those underlying conditions. It can only deal humanely with the consequences.

If we are to get to the root of the problem we shall have to do so through education, health and nutrition programs, the creation of job opportunities, the elimination of slum conditions and similar measures.

We must not, for example, imagine that the aid to the working poor contained in the present proposals is in any sense a substitute for increases in and extension of the minimum wage. All parts of the political spectrum would agree, I suppose, that in the long run an adequate minimum wage is healthier than a Federal wage subsidy.

Legislative Proposals

Now Mr. Chairman, I shall speak to the legislative proposals before you.

The Urban Coalition Action Council believes that the President has put forward an extremely important and on the whole well-designed set of proposals. The Council also believes that the proposals could be strengthened at several crucial points.

Let me begin by stating very briefly what it is about the proposals that strike us as valuable.

First, we would offer a general word of praise for the emphasis on children that is at the heart of the proposals under discussion. It's about time.

Second, we would emphasize that if the proposals are accepted, the Federal Government will for the first time in history accept responsibility for providing a minimum level of payment throughout the nation and for financing it. I would have been very proud had I been able to establish that principle during my tenure as Secretary of Health, Education and Welfare. It is a historic step. All the details of the present proposals fade in significance compared with that major advance in Federal policy.

Third, the Coalition Action Council regards the uniform national standards of eligibility and the greatly broadened coverage as enormously helpful. Of special significance is the inclusion of the working poor for the first time. The complete omission of the working poor is surely one of the strangest anomalies of the present system. A society which values work should surely make some provision for the six million adults who work full-time, year round, and yet cannot earn enough to bring themselves above the poverty line.

Fourth, we welcome improvement and broadening in the incentive to work. In 1967 your Committee pioneered in the move to correct the disincentive to work inherent in the welfare system, and I am sure that further steps to this end must strike you as well-considered.

Fifth, we applaud the proposed assistance to families with unemployed fathers living at home. Every critic of the existing system has commented on the fact that in states without provision for AFDC-UP, fathers have to leave home to make their families eligible for welfare.

Mr. Chairman, those strengths of the President's proposals are great indeed. They could lead us on to an immeasurably sounder and more equitable system of income maintenance. But if the promise of the proposals is to be realized, they must be strengthened at a number of points.

Can a national commitment to help impoverished families be met by a program which guarantees uniformity throughout the country only with respect to the first \$1,600 of benefits for a family of four, even with the commendable inclusion of food stamps? No doubt the level was based primarily on what the Administration believes it can afford under present budget constraints. I would like to assume that the President's ultimate goal is to increase that figure until it reaches the poverty level. But he has made no provision for such an increase and, even with the proposed state participation, there is no incentive whatever for states to raise their benefit

levels. Indeed, they are not required to raise them beyond the July 1969 level. If state supplementation is to be required, the legislation should provide an incentive for states to increase the supplementary benefits (e.g. by Federal matching above the \$1,600 floor).

As the best long-term approach, however, I urge the Congress to make provision for a nation-wide increase in benefits to the poverty level over a specified period of time. The \$1,600 floor proposed by the President can serve as a sound starting point for such a phased program.

Adequate provision should be made for "one-stop" administration of the proposed Federal-state system. The uniform national eligibility standards should help to eliminate the possibility of disparities in administration among the states, which is so clearly a problem in the present programs. However, under the President's proposal, if a state chose to cut its supplementary payments or to disregard Federal standards for such payments, the Federal requirements would be very hard to enforce. It may be necessary to find a more enforceable Federal sanction, such as administrative intervention.

The improved benefits for the aged, disabled and blind are a welcome step. It may be, however, that our ultimate goal should be a single income maintenance system which provides for uniform adequate assistance for all of our impoverished citizens, including needy individuals and couples without children.

It should probably be recognized that we are moving toward Federal assumption of the full cost of welfare programs. At a time when the nation as a whole is experiencing unprecedented prosperity, state and local governments are facing fiscal crisis. Largely dependent upon an inelastic tax base, they face inflation-linked increases in service expenditures compounded by spiraling welfare costs. Given the elasticity of its tax base, and the economies of scale and efficiency offered by Federal administration, a shift of the welfare burden to the Federal Government is clearly one means of resolving the fiscal dilemmas of state and local government. The fiscal relief offered by this shift would enable state and local governments to direct greater resources to those functions they are best fitted to finance and administer.

Another point at which the President's proposals must be strengthened is the part having to do with the work requirement.

The legislation should specify job standards and wage rates for "suitable employment". If this is not done, the legislated work requirement could end up providing a steady supply of forced labor to employers who provide substandard wages and working conditions.

The possibility of abuse by local employment services should be minimized by extremely careful definition of what constitutes a "refusal to work", and perhaps also by some system of Federal inspection.

The exemption from the work requirement granted to mothers with children under 6 and to mothers if the fathers are living in the home

should be extended to mothers with children over 6. It may be quite feasible for such a mother to work, and many do. But the feasibility depends on factors that she can best judge: her own health, the health (physical and mental) of her children, the presence in the home of adequate mother-substitutes (grandmothers, aunts) and so on. No bureaucracy should want to second-guess a mother in such matters.

In this connection, provisions for day care should be more explicit. Federal standards should be set. No work referral should be made unless adequate day care is provided. Responsibility for and funds for construction of day care facilities should be specified in the legislation.

Finally, I would emphasize that there must be provisions for job creation, so that the training opportunities won't be a revolving door into continued unemployment. The ideal solution is a public service employment program.

Mr. Chairman, that concludes my testimony. I am extremely grateful for the opportunity to appear before you.

Statement by

MR. STEPHEN KURZMAN
Special Counsel to
The Urban Coalition Action Council

before the

Committee on Agriculture

United States House of Representatives

October 31, 1969

Mr. Chairman and members of this Committee:

My name is Stephen Kurzman, and I am appearing on behalf of the Urban Coalition Action Council. We appreciate the opportunity to appear before this Committee on the critical question of domestic food programs and their impact on continuing hunger and malnutrition in the United States. Our basic thrust here today is to urge you to act promptly and favorably on S.2547, the Senate-passed Food Stamp bill and to go forward, beyond that measure, to consider a broad range of further objectives.

The documentation is overwhelming at this point that, despite unprecedented prosperity and despite a number of well-intentioned food programs, hunger and malnutrition do continue to exist in this country. A partial listing of this documentation includes the following:

Hearings, Senate Subcommittee on Employment,
Manpower and Poverty, April, 1967

Hunger U.S.A., Citizens Board of Inquiry Into
Hunger and Malnutrition in the United States,
1968

"Hunger in America", C.B.S. documentary,
Produced by Martin Carr, May, 1968

Hearings, Senate, "Hunger and Malnutrition"
before Senate Subcommittee on Employment,
Manpower and Poverty, May & June, 1968

Hearings, Senate Select Committee on Nutrition
and Human Needs, "Nutrition and Human Needs",
12 volumes of hearings, December 1968-1969

"The Food Gap: Poverty and Malnutrition in the
United States," Committee Print, Senate
Select Committee on Nutrition and Human Needs,
August 1969

Report, Subcommittee on Food and Nutrition,
President's Urban Affairs Council, March, 1969

Report of Dr. Arnold Shaefer, Director, National
Nutrition Survey, U.S. Public Health Service

Poverty, Malnutrition and Federal Funding Assistance
Programs, "A Statistical Summary", Committee Print,
Senate Select Committee on Nutrition and Human Needs,
September, 1969

The findings in all these studies and all these reports have electrified the Nation. Dr. Arnold Shaefer, Director, National Nutrition Survey, U.S. Public Health Service, has testified before this Committee that preliminary data from his survey indicated, "Malnutrition is a health problem in the United States, and our preliminary findings clearly indicate that there is malnutrition in an expectedly large portion of the sampled population." Shockingly, Dr. Shaefer's survey also uncovered 7 cases of marasmus and kwashiakor which we did not believe existed in this rich country. The Subcommittee on Food and Nutrition of the President's Urban Affairs Council estimated that half of all infants from poor families in the United States are likely to suffer from under-

nutrition and that there is no significant proportion of the poor who do not suffer from under-nutrition. Moreover, it estimates that half of the poor in the Southern states and a fifth of the poor in non-Southern states suffer from malnutrition and that "scattered evidence indicates five to ten million (persons) are suffering from severe hunger and malnutrition."

Despite the crying need, documented in all of the forums cited above and beginning over two years ago, our current food programs are still not reaching three fourths of the poor, many of whom suffer extreme poverty. At present, the direct distribution program is operating in 1187 counties and serving approximately 3.1 million individual recipients. Under this program, 22 commodities are made available to the states with a retail value of \$15 per person per month. These commodities have less than adequate amounts for energy and Vitamin A according to the National Research Council's Recommended Dietary Allowances. Moreover, the average number of commodities distributed in the states is 18, which means that even those poor persons participating in this federal food program are being denied an adequate diet.

The food stamp program provides a bonus for food purchases which varies with the income and family size of the recipient with an average bonus of \$6.73 per person per month in food purchasing power. 3.2 million persons participate in this program. This program provides only 60% of the minimum needs of those in extreme poverty who participate. Both programs fall far below the Department of Agriculture's own economy food plan which calls for \$25 per

person per month or \$1200 per year for a family of four -- an amount USDA admits can be utilized by only the most ingenious of the poor to gain a balanced diet. Moreover, there remain approximately 470 counties and independent cities with no food programs at all, and which include about 8% of the poor. In areas where food programs operate, less than one third of the poor are being reached -- around 6 million of 20 million persons living in families with less than \$3000 annual income.

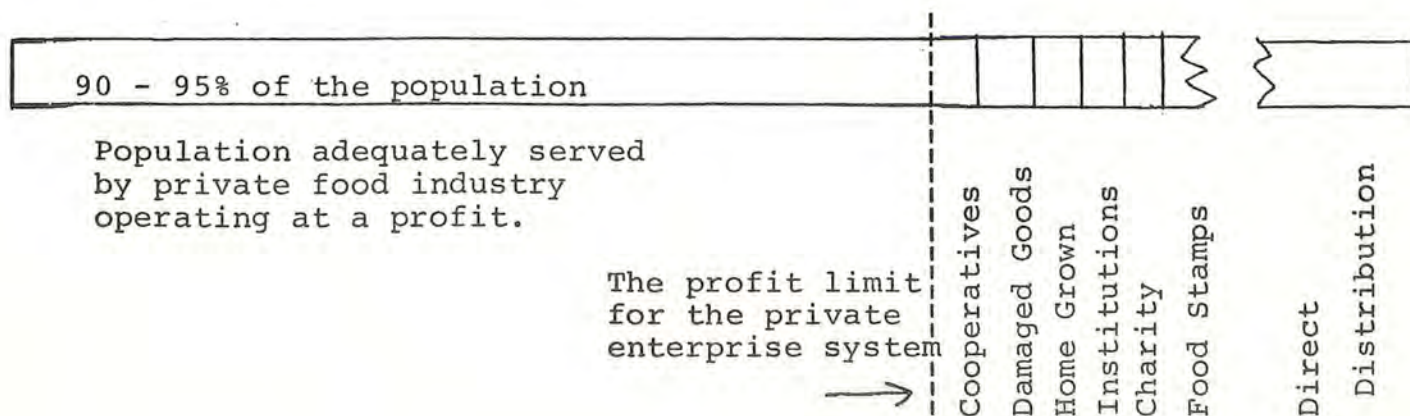
The Census Bureau estimates that 907,000 families have an income of less than \$1000, \$200 less than the \$1200 rock-bottom USDA requirement for food alone per year. Another 1.7 million families have incomes under \$2000. It is safe to assume that many members of these families are going hungry. A family of four with incomes of \$2000 would have to spend 60% of that income on food in order to meet USDA's economy plan standards. Clearly with the costs of clothing, shelter, medicine, utilities and other fixed necessary expenses, these people cannot eat adequately. After all, the average American spends only 17.4% of his income for food.

Nor are poor children being reached by the school lunch program. There are 32.5 million school children who do not have access to school lunches. The House Committee on Education and Labor says 3 and a quarter million of these children need free lunches and another 19 and a half million need reduced price lunches.

In sum, current family food programs offer little assistance and fail to reach the great majority of the poor. 14 million of

the poor consume food not meeting recommended dietary allowances and 8 million more are on diets with less than two-thirds of the recommended allowances for one or more essential nutrients. Nor are our welfare programs reaching them. Only 10.2 million of the country's 25.4 million persons living below the poverty line receive any form of welfare assistance. The Family Assistance Program proposed by President Nixon will, we hope, help to remedy this situation, but at the \$1,600 per year level which has been proposed for a family of four, it is clear that improved and expanded food programs will remain an urgent need for many of these families.

A graphic way of illustrating what all these studies and hearings show was presented by a witness before the Senate Agriculture Committee last May. Mr. Robert Choate, who is an expert in this field and currently a consultant to the White House Conference on Food and Nutrition, introduced the following bar graph:



He pointed out that the private food industry adequately serves 90 to 95 percent of the Nation's population. The remaining 5 to 10 percent still must eat, but lack the cash to do so adequately. The alternatives developed to provide for this 5 to 10 percent only reach a portion of the need: cooperatives, soup kitchens and charity feeding houses, home grown foods, occasional sales of damaged goods at a loss. Governmental programs have to fill the remaining gap. The largest are the Food Stamp and direct distribution commodities programs. But as the graph illustrates, a substantial gap remains.

What that food gap means in human terms extends far beyond the jurisdictional lines of this or any other single Committee of the Congress. Hunger and malnutrition are in many instances the underlying causes of illness and public health problems, of inability to learn and educational problems, of unemployment, underemployment and a loss of productivity. With its action on improving and expanding Federal programs that fill the food gap, this Committee can have a profound effect on the whole range of related problems which would otherwise be left to piecemeal consideration by other Committees. Conversely, inaction by this Committee would create pressure upon the other Committees to consider the impact of food deficiencies on the problems with which they must deal.

We urge this Committee to devise a strategy for closing the food and nutrition gap. We recommend a series of objectives which we believe should be sought by that strategy. A substantial step toward these objectives would be taken by enactment, with some adjustments, of S.2547, the Food Stamp bill passed on September 24, 1969 by a substantial bipartisan majority of Senators.

The Senate-passed bill was introduced by a bipartisan group including nine of the thirteen members of the Select Committee on Nutrition and Human Needs, which had held hearings throughout the country over a ten-month period. Its sponsors were Senators McGovern, Javits, Percy, Cook, Hollings, Pell, Yarborough, Mondale, Kennedy, Hart, Spong and Goodell.

The following are the long-range objectives we believe the Committee should address itself to:

1. Nutrition Education and Information: There is a great need to improve knowledge among the poor, as well as among many families who are not poor, or healthful nutritional practices, of how to obtain nutritious foods and maintain a wholesome and balanced diet. S.2547 makes a start in this direction in Section 1(10), which would afford participants:

"such instruction and counseling as will best assure that they are able to use their increased purchasing power to obtain those nutritious foods most likely to insure that they receive a nutritionally adequate diet."

This is an effort which should not, in our view, be limited only to food stamp recipients or only to agencies concerned with food stamps. For example, HEW and OEO programs and the agencies and institutions they fund should also be enlisted in these efforts, along with the Cooperative Extension Service.

2. Nutrition Research: More precise knowledge is needed about the extent, incidence and location of malnutrition on a continuing basis. For example, HEW's National Nutrition Survey should be expanded so that its sample is adequate, its data are fully analyzed, and food program effectiveness is monitored and evaluated. Special consideration should be given to the particular nutritional needs of the rural poor, migrants, Eskimos, Indians and the elderly. S.2547 does not deal with this subject.

3. Outreach: A full range of supportive services is needed at the local level to reach more of the Nation's urban, rural and migrant poor with existing food assistance programs. In his May 6

message to the Congress, President Nixon pointed to OEO's "unique outreach among the poor themselves." S.2547 would expand availability of food stamps by permitting certain private non-profit institutions, including mobile food services, which provide meals to older persons to accept food stamps (Section 1(1) and 1(16)). It would spread awareness of the programs by authorizing the giving of instruction and counseling mentioned above at schools, retail food stores, in homes, through voluntary cooperation, in Federal, State, local or private agencies which carry out informational and educational programs for consumers, and particularly through the national school lunch program and its extension (Section 1(10)). The cumbersome pre-certification procedure would be amended so that an affidavit is sufficient, subject to subsequent disqualification for fraud (Section 1(12) and 1(17)); this parallels the technique long authorized for the Federal income tax system. Issuance of stamps and collection of payments for them would be facilitated by authorizing use of Post Offices, banks, credit unions, the mails and other agencies. (Sections 1(11) and 1(14)(3)). Under limited circumstances, where the Secretary of Agriculture determines there is a need and no food stamp program exists, USDA would be authorized to administer a food stamp program through a private nonprofit organization or a Federal, State or county agency approved by the Secretary. In line with President Nixon's reference to OEO's outreach capabilities, we would hope that OEO would be given a substantial role in providing the services necessary to fuller participation of the poor in all food assistance programs -- not solely the Food Stamp Program.

4. Private Enterprise: A principal advantage of the Food Stamp Program is that it utilizes the private food distribution system rather than creating another distribution system as required by other types of food assistance programs, particularly commodity distribution. S.2547 would permit more of the poor to be reached by the private system by improving the current payment and value schedules, which require payment in advance on a rigid monthly basis of up to 47 percent of income to participate in the program. Free food stamps would be issued to families earning less than one-half the amount determined by the Secretary of Agriculture to be necessary to purchase a nutritionally adequate diet, at this time approximately \$60 per month for a family of 4, or \$720 a year. In no event would more than 25 percent of a household's income be charged for stamps; again, this is still higher than the 17.4 percent of income paid for food by the average family. State eligibility requirements, which now range from \$1,920 to \$4,140 for a family of 4 and bear no relation to geographic differentials in food prices, would be replaced by a more equitable national minimum standard of \$4,000 adjusted to take regional variations into account.

As important as these changes would be, a number of other programs should also be initiated to enlist the private sector more fully in the distribution and education processes. Current governmental efforts with food companies to provide foreign developing nations with enriched and fortified foods should be extended to this country as well. Production, processing and

distribution by small food businesses in low-income areas should be encouraged by the Small Business Administration, the Department of Commerce, and OEO, especially with the aid of local development corporations. As the President's May 6 Message recommended, "an advisory committee of major food processing and food distribution companies" should be established.

5. Maternal and Child Nutrition: As the President stated and as Dr. Shaefer emphasized in his testimony before this Committee, malnutrition during pregnancy and in the infant and young child can cause physical and mental retardation. The President called for special package and pilot voucher programs by HEW and these should be authorized by legislation. Participation in free or reduced-price school lunch programs should be increased by establishing national eligibility and funding standards for local school districts so that all needy children, less than half of whom now benefit from these funds, can participate. Similar emphasis on poor children should be mandated upon the special milk program. Private food companies should bring their expertise in processing and distribution to low-income area schools which lack adequate facilities for preparation of meals. Again, S.2547 does not cover these subjects.

6. Direct Commodity Distribution: New direction should be given to commodity distribution so that it supplements food stamp and school feeding programs. Together these programs should ensure that low-income families have available to them a range of foods necessary for a nutritious and well-balanced diet. National standards of eligibility, cash payments to States, grants to public

and private agencies and use of Section 32 funds for purchase of nutritional foods not otherwise available under Federal food programs, should be authorized. USDA should assist State and local agencies in outreach efforts to insure maximum participation of low-income families, and distribution should be facilitated, in conjunction with OEO, HEW, and HUD, through neighborhood centers. S.2547 makes one important advance by permitting a combination of food stamp and commodity programs under certain narrowly defined circumstances (Section 1(7)).

The objectives we have outlined are not ours alone, by any means. Most were identified and recommended to the President by the Food and Nutrition Committee of the Urban Affairs Council. Many were embodied in the President's May 6 Message. Many are embodied in bills already introduced in both Houses of Congress, such as S.2789, introduced by Senator Javits and a bipartisan group of co-sponsors; S.1864, by Senator Talmadge; H.R. 13423, the Foley-Green bill; and H.R. 12222, the Administration bill introduced by Congresswoman May.

We recognize that these objectives will incur additional cost to the U.S. Treasury; for food stamps alone, \$1.25 billion in the current fiscal year instead of \$750 million under the current projections, and a similar \$500,000,000 difference in fiscal years 1971 and 1972. But as Senator Hollings stated on the Senate floor when S.2547 was passed, "This is no time to holler 'chaos' and 'the end of the world is coming' over the expenditure of \$500 million in the next fiscal year," particularly when compared with expenditures

for other purposes. It has been estimated that the objectives other than those relating to food stamps would cost approximately \$415 million in the first year. Again, matched against other expenditures, including some \$3 billion in agricultural subsidies annually, this does not appear to require a major wrenching of national priorities. The comprehensive approach to food assistance we recommend is well worth the additional cost and may well cost less than the loss of productivity and wasted lives caused by hunger and malnutrition.

For the record we would like to offer a number of editorials, local news stories and columns from newspapers, both large and small, in many parts of the Nation in recent months. These indicate a growing national awareness and concern about food shortages and deficiencies and the need for expanded and improved food programs.

The Urban Coalition

1819 H Street, N.W.
Washington, D. C. 20006
Telephone: (202) 223-9500

CHAIRMAN: John W. Gardner

CO-CHAIRMEN: Andrew Heiskell / A. Philip Randolph

August 26, 1969

The Honorable Ivan Allen, Jr.
Mayor of the City of Atlanta
City Hall
Atlanta, Georgia 30303

Dear Ivan:

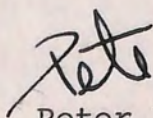
At its last meeting the Executive Committee of the Coalition adopted a statement on the welfare reforms proposed by President Nixon. A copy is enclosed for your study. A special subcommittee, chaired by Mr. Whitney M. Young, will be meeting in September to plan further steps to implement the position of the Coalition in supporting an income maintenance program.

The Executive Committee reached other key decisions on housing, public service employment, a minority contractors institute proposal, and on several administrative matters. The minutes of the meeting and supporting papers are enclosed, and I'm sure will be of interest to you.

A new schedule of Steering Committee meetings for the remainder of this year and through 1970 has been adopted. The Steering Committee meeting originally scheduled for September 24 has been cancelled. The next Steering Committee meeting will be December 10 in Washington at 3:00 p.m.

I look forward to seeing you at our next meeting.

Sincerely,



Peter Libassi
Executive Vice President

cc: Mr. Dan Sweat

*Dan
Read 1st
Statement*

MINUTES OF URBAN COALITION ACTION COUNCIL
EXECUTIVE COMMITTEE MEETING

August 13, 1969

The meeting of the Urban Coalition Action Council Executive Committee was called together at 3 p.m., John W. Gardner presiding...

I. Public Service Employment. This is a priority item for the Action Council. Particular attention of late has been paid to how business community support can be brought to bear on this matter.

The concerns of businessmen and what faults they find with the concept of public service employment were reported on. Discussion then centered on how these criticisms can best be factually answered. Attached is a report of the lobby strategy reviewed and approved by the Executive Committee.

II. Foundation Tax Issue. The legal implications of the bill as it now appears and what progress has been made in changing injurious language in the bill were discussed. It was the view of the Action Council that although Foundations are in better shape than they initially were when work first started on the bill, there are still many liabilities to it which would severely restrict the Coalition and many other such organizations' activities. Continued efforts to win modification of the bill in the Senate were approved. Attached is a report on current action of the House Ways and Means Committee.

III. President Nixon's August 8 Statement on Welfare and Other Domestic Issues. A most spirited discussion ensued on the pros and cons of the President's message to the American people.

The Executive Committee adopted a position on the strengths and weaknesses of the President's proposal which were incorporated in a statement released to the press. A copy of the statement is attached.

MINUTES OF THE MEETING
OF THE
URBAN COALITION EXECUTIVE COMMITTEE

I. Minority Contractor Institute Proposal. After the history, current status and details of the Minority Contractors Institute proposal were presented and discussed, the Executive Committee approved the proposal with the understanding that an advisory committee made up of all elements of the Coalition will be formed and consulted. Attached is the proposal.

II. Dates of Future Steering and Executive Committee Meetings. The attached list of dates was approved.

III. Terms of Office for Steering and Executive Committee Members. At the present time Steering Committee members do not serve any fixed term. The proposal was for two-year terms to be established for all Steering Committee members and that they be eligible for reelection.

The only exceptions to the two-year rule would be for those members who hold public office or are officers of private organizations. Their term of office would be limited to the term of their non-coalition position.

In order to initiate this system, it was proposed that the Chairman be empowered to assign terms of office to all current Steering Committee members.

The proposal was approved by the Executive Committee. A copy is attached.

IV. Nominating Committee Report. Three categories were presented Mayors, Businessmen, and Mexican-Americans.

- A. Mayors - Nine names representing a range of geography and party were presented. The entire list was approved with the authority to approach individuals as vacancies occur until the list is exhausted.
- B. Businessmen - The list was accepted with one addition from the floor. It was also suggested that some additional names representing the financial community be added. This was agreed to and additional names will be circulated.

It was also proposed to enlarge business representation on the Executive Committee by three and on the Steering Committee by seven. The list of names and the enlargement of the Steering and Executive Committee was approved.

In addition, the Executive Committee authorized the Chairman to approach individuals on the list as vacancies occur until the list is exhausted. Care will be exercised in assuring that geography and types of industry are fairly represented in the complexion of the committees.

- C. Mexican-American - Two candidates were submitted and approved by the Executive Committee.
- D. Announcements - An announcement of the nominees for the Steering Committee will be made after they have been contacted and have accepted.
- V. Housing. A report of the Housing Task Force was presented which outlined the principal effort the Task Force wished to take in the housing field.

The report was approved by the Executive Committee, a copy of which is attached.

Whereupon, at 5:25 p.m. the meeting was adjourned.

NEWS
from
The Urban Coalition Action Council
1819 H Street, N.W.
Washington, D.C. 20006
202-223-9500
(Tom Mathews)

August 14, 1969

FOR RELEASE FRIDAY AM, AUGUST 15, 1969

URBAN COALITION ACTION COUNCIL STATES VIEWS ON
ADMINISTRATION'S WELFARE PROPOSALS

The following statement was issued on behalf of the Urban Coalition Action Council today by John W. Gardner, Council Chairman, following a meeting of the Council's Executive Committee in Washington, D.C.:

President Nixon has taken the initiative to reform America's outmoded welfare system. The Urban Coalition Action Council welcomes this major departure and commends the President for moving to correct the serious deficiencies of the current system.

The President's proposals are significant on several counts:

(a) They will provide assistance to the millions of working poor who are totally ignored by the present system.

(b) They will provide income to unemployed parents who are seeking work or training, thereby keeping families together. (In most states today unemployed fathers have to desert their families to make the families eligible for aid.)

(c) They remove the powerful barrier to work which is a gross defect of the present system, and introduce a positive incentive for the individual to enter the job market.

(d) Though the level of support is modest, they take the enormously important step of accepting federal responsibility to place a floor under the income of those eligible for assistance.

(e) They will provide national eligibility standards for those receiving federal assistance under the new program.

We have strongly advocated such measures and we will do all that we can to make them a legislative reality. If that is to come about, all who are concerned for the nation's future must work together to ensure that the best program we can devise is finally written into law. To assure the ultimate success of the program, it must be strengthened in every way possible during the public debate and the legislative deliberations to come. Here are some of the ways in which strengthening could be accomplished:

1. The Administration proposals could be further strengthened by raising the level of funding in order to increase the level of minimum income, to afford relief for those states and municipalities which are being crushed by the spiraling welfare burden and to include single persons and childless couples who are not now covered.

2. The plan proposed by the President exempts mothers of pre-school children from the provision requiring recipients of assistance to register for work and training. This is a step forward over the present law and should be retained. But the plan could be strengthened further if it recognized that even mothers of children over six might serve the society best by staying home and doing a good job of bringing up their children. It is a decision for the mother, not the government, to make. All evidence indicates that the number of mothers who want to work exceeds our capability to provide jobs and daycare facilities.

3. The Administration proposals can be effectively strengthened by the formulation of explicit federal standards governing work referral and wages to be paid, and by provisions to assure that present welfare recipients do not end up with a lower level of benefits than they presently receive.

4. The proposals could be made more effective if they were supplemented by a job creation program. There is a danger that the new training opportunities proposed by the President will simply become a revolving door through which potential employees pass without obtaining employment. The Coalition has long advocated a public service employment program which would solve the problem.

5. Finally, the proposal should assure that the food stamp program only be phased out as cash payments approach the minimum necessary to lift a family out of poverty.

The Urban Coalition Action Council looks forward to joining with other concerned citizens in the monumental task we now face of winning the public and political support necessary to assure enactment of constructive measures to meet these problems.

* * *

ACTION COUNCIL ACTIVITY ON PUBLIC SERVICE EMPLOYMENT LEGISLATION

The Urban Coalition Action Council has strongly supported public service employment legislation since the Council's formation last year. Public service employment was a primary goal of the Urban Coalition's Statement of Principles, adopted in August, 1967.

The Action Council is now preparing for a major effort to secure enactment of this legislation, and will give public service employment top priority this fall.

There are three central phases required to assure success:

- 1) Preparation of testimony for Senate and House hearings to be scheduled in late September or early October;
- 2) Overall coordination of educational and legislative activity; and,
- 3) Development of strong business support.

1. Hearings - Work is now underway to obtain the most current employment facts which prove the case for public service employment. We wish to provide up-to-date information to the appropriate Congressional committees.

Information is being obtained to show that:

- (a) Unemployment and underemployment still loom large in major cities as well as rural areas; and,
- (b) Jobs needed by cities, counties, states and nonprofit institutions of all kinds can be matched with the available unemployed and underemployed willing and able to work.

To demonstrate the reality of "matching," we are probing three major cities through resources available to the Action Council such as the League of Cities, Conference of Mayors, and municipal employees' unions. Using the same resources, we will develop testimony that shows that to do the job properly and now, Federal funds must be provided for wage subsidy or supplementation as well as for training and supportive services.

2. Coordination - By frequent contact with the Action Council constituency, we plan to coordinate the overall activity in order to have the greatest impact on Congress and the public.

Conversations to date with segments of the Action Council have indicated a strong measure of support for the effort we are undertaking. Many of these groups predate the Action Council in their commitment to greatly expanded public service employment opportunity. The somewhat newer concept of underemployment as a critical factor has enhanced, rather than diminished, the interest and commitment of most of the groups.

3. Business support - Despite the clear commitment of the Coalition convocation that included many prominent members of the business community, we are uncertain about the support of business as we go down the road.

The uncertainty rests on one major ground. Preliminary and limited conversations with several business representatives pinpoint the issue of wage subsidy.

Most who have been contacted would support a JOBS type program transferred to meaningful work in the public sector with Federal support for training and supportive services (such as those programs embodied in MA-3 and MA-4 contracts). Beyond that, however, shoal waters seem to appear.

Resistance to wage subsidy or supplement seems to be based on fear of creating uncontrollable inefficiencies in cities and public service institutions, supported by Federal dollars. The specter of WPA seems to come to mind as the idea of wage support triggers reaction.

The cities regard any public service program as meaningless without the wage component.

Therefore, we seek advice on this issue from all segments of the Action Council constituency, but particularly from the business community at large and from the business members of the Executive Committee.

We have had preliminary discussions with representatives of organizations such as the National Association of Manufacturers, the U.S. Chamber of Commerce, the National Retail Merchants Association, and the American Trucking Association. In addition to the national business organizations, we have been talking with representatives of corporations such as AT&T, Kennecott, and Sears Roebuck.

We are now intensifying our contacts with the business community on this issue.

* * * *

We are closely watching other types of legislation and particularly that receiving Administration blessings. If alternative solutions to the same problems appear to be emerging, we will be prepared to reassess our own position in the light of such developments and make appropriate recommendations to the Action Council Executive Committee.

We are particularly mindful that the Administration proposes to announce a large 'package' on August 8. Although the contents are closely guarded, it is assumed that it will include some tie-in between income maintenance and enlarged employment opportunity. Whether this program will satisfy the demand and need for public sector jobs, and whether it will reach sufficient numbers of the unemployed and underemployed remains to be seen. We will scrutinize the program carefully.

THE NEED FOR PUBLIC SERVICE EMPLOYMENT

The Urban Coalition Action Council

At the time of the original convocation that created the national Urban Coalition in 1967, the Steering Committee of that convocation stated its position on public service employment. That statement called for immediate legislative action based in part on the following principles:

- 1) "The Federal government must enlist the cooperation of government at all levels and of private industry to assure that meaningful productive work is available to everyone willing and able to work."
- 2) "To create socially useful jobs, the...program should concentrate on the huge backlog of employment needs in parks, streets, slums, countryside, schools, colleges, libraries and hospitals..."
- 3) "The program must provide meaningful jobs--not dead end, make work projects..."
- 4) "Basic education, training and counseling must be an integral part of the program...Funds for training education and counseling should be made available to private industry as well as to public and private nonprofit agencies."
- 5) "Such a program should seek to qualify new employees to become part of the regular work force and to meet normal performance standards."
- 6) "The operation of the program should be keyed to specific localized unemployment problems and focused initially on those areas where the need is most apparent."

On April 1, 1968, in testimony before the Subcommittee on Employment, Manpower and Poverty of the Senate Committee on Labor and Public Welfare, John W. Gardner, chairman of the national Urban Coalition Action Council, reaffirmed the convocation's statement. Mr. Gardner's testimony also made public for the

first time the preliminary conclusions of a study by Dr. Harold Sheppard of the Upjohn Institute.¹ Dr. Sheppard was commissioned by the Urban Coalition to survey the public service needs of a sample of major cities and to examine the general problems of underemployment and unemployment in this country in terms of those needs.

Sheppard's study, released in final form in January of this year, dispelled some myths which have greatly influenced past thinking on unemployment and underemployment; about the poor who do not work and the much larger group of poor who do. For example, 85 to 90 per cent of the poor who do not work are ill, disabled, in school, or in the case of many women, they are unable to enter the labor market at all because of home responsibilities.

Sheppard's analysis emphasized the critical facts about the underemployed, who he defines as those who work and are still poor. In any analysis of what constitutes the poor in this country, underemployment looms as large--if not larger--than unemployment. Sheppard found that, conservatively, almost five million people in this country were underemployed. This is a significant figure since it includes by definition people who work and are still poor, and does not include unemployed as defined by the Federal government.

¹Harold L. Sheppard, The Nature of the Job Problem and the Role of New Public Service Employment, the Upjohn Institute, January 1969

Sheppard advanced an even more startling theory, based on Bureau of the Census statistics, on the number of poor families in the labor force and the per cent having two or more wage earners. Using this method, Sheppard concluded that in 1966 at least six million members of families worked on some basis and were poor. In addition, there were 1.3 million unrelated individuals in the labor force at the same time. Therefore, there are perhaps as many as 7.3 million men and women who are labor force participants and yet are poor. He concludes that most of them are employed but still do not earn enough to raise their families or themselves out of poverty.

Equally significant weight must be given to the quality of the unemployed in terms of age, location, duration, etc. The quality can have serious consequences for the cities. At the time of the Sheppard study, the Office of Economic Opportunity estimated that the central cities contained nearly 1.3 million job seekers or underemployed poor persons of whom 33% were in the 16-21 age group (1966 figures). 1968 figures for Detroit show that the unemployment rate for the city as a whole was 3.8%, but for 16-19 year olds it was 13.6%. Unemployment in the central city, both white and nonwhite, was 11.2%. In round numbers there were almost 22,000 unemployed in Detroit between the ages of 16-19. In the central city there were 34,000 people of all ages unemployed.²

In Los Angeles, 35,000 were between 16 and 19 and the total for the central city was 71,000. One must conclude that the bulk

²The data for Detroit and Los Angeles are from the Supplement to the President's 1969 Manpower Report and are averages for the calendar year 1968. Data is also available for 18 other cities.

of the unemployed are in the central city; and if Sheppard's conservative figures on underemployment are considered, there is today a strong concentration of unemployed and underemployed in the central city, and many are in the 16-19 age group. None of these figures will startle anyone. Yet, measured against achievement much remains to be done.

Sheppard's analysis of the "needs" of the cities was done by a survey of 130 cities with populations of 100,000 or more. Although not done in depth, the general conclusions of the survey established the fact that in these cities there were at least 280,000 potential positions which were needed but not filled and not budgeted. Even more significant was the fact that the city representatives estimated that there were at least 140,000 of these jobs that did not require technical or professional training and could be filled by inner-city residents. Contrary to popular belief that these jobs by definition were make work, 30 per cent were in education of which over 27% were nonprofessional, 12.4% were in health and hospitals of which 13.3% were nonprofessional, and 25% were in police, fire and sanitation of which over 23% could be filled by nonprofessionals. Most people would consider these categories of work to be essential to the efficient and productive operation of a city.

It is the conviction of the Urban Coalition Action Council that the present requirements of the cities and the unfulfilled promises of jobs can be matched. Such a program will have a positive impact on the problems of unemployment and underemployment.

But it cannot be done without some Federal support for city budgets, state budgets, budgets of nonprofit institutions such as hospitals, all of which are shrinking under the pressure of rising costs. Yet the demand for service to the community remains and grows.

The private sector is playing a critical role in the employment of the disadvantaged. The JOBS Program³ has had a substantial impact in the communities where it has been operating for more than a year. Despite excellent organizational and promotional efforts and the dedication of thousands of individual businessmen, the private sector has not been able to attack the total problem. No one can expect the private sector alone to do the job. In fact, the private sector should not be asked to do the whole job. Not only can they not be expected to do it, they cannot do it.

In June 1969 the Secretary of Labor announced that 2,370 employers agreed to hire and train 71,796 disadvantaged workers with Federal assistance. The goal is 238,000 by June 1970 and 614,000 by June 1971. This enormous effort must be continued, but even if we recognize that a much larger group has been employed through the normal channels of companies, Los Angeles alone needs more than 71,000 job opportunities for the central city right now.

Although several bills relating to public service employment were introduced in the 90th Congress, Congress has failed to act in this important area. Independent pieces of legislation and manpower "fall out" from other legislation considered to be

³ Job Opportunities in the Business Sector, conducted by the National Alliance of Businessmen

public service employment-oriented are on the books. New Careers and the Work Incentive Program (WIN) are examples. Quite apart from whether the proliferation of programs, both private and public sector oriented, requires a more comprehensive approach and a more efficient delivery system, present programs apparently are not reaching significant numbers of the unemployed and underemployed.

The present Administration is mindful of this. The Department of Labor recently circulated for comment to interested parties a detailed program draft to be called Public Service Careers Program. The program is scheduled to be announced in early August, and one can assume that the recent draft represents the Administration's current thinking on this subject.

The draft paper basically agrees with Dr. Sheppard's statement of the program. The Administration's analysis emphasizes that:

- 1) There is an increasing need for trained manpower in the public sector at all levels of government
- 2) Underemployment is a key problem
- 3) A public service program should not be an 'employer of the last resort program' nor merely another training program
- 4) The Administration proposes to break down a wide range of barriers to employment of the disadvantaged and implement upgrading of current employees
- 5) Federal funds will be made available for supportive services, i.e. training and remediation, transportation and day care facilities, job restructuring, sensitivity

training for supervisors. Fifty million dollars in Title I-B Economic Opportunity Act monies will be requested.

The Secretary of Labor has stated that the Federal government investment per trainee in the JOBS program is \$2,915. Using three thousand dollars per person and not taking into account any additional investment that may have been made by the private sector for each JOBS trainee, the proposed Public Service Careers Program would generate about 16,000 jobs for the entire nation.

The justification that the Labor Department uses for its limited efforts in the public sector is the assumed need for experimentation (For example, will the hire-first train-later principle work in the public sector), and to determine whether or not such programs can succeed without some form of Federal wage subsidy. Representatives of major cities have already indicated to Department representatives that Federal wage subsidies in some form are necessary; that they face continuing deterioration of essential as well as desirable services; that budgetary pressures are such that the recruiting, training, and supplying of supportive services is meaningless if the jobs cannot be sustained in the city system or the hospital, no matter how badly needed.⁴

The Administration's analysis of unemployment and under-employment problems and the imperative and growing need for a public service manpower program supports the analysis of the

⁴This explains the reaction of some city representatives who, although critical of the WIN program, regard at least as realistic in this one respect for it does provide for some form of wage subsidy for two years.

Urban Coalition. But the conclusions from the analyses differ. The Urban Coalition Action Council cannot support the Administration's present approach in this area, and so informed Assistant Secretary of Labor Arnold Weber by letter on July 25, 1969. (See attachment)

The Urban Coalition Action Council is pursuing a vigorous program of support for meaningful public service employment legislation in this session of Congress. The Action Council is coordinating and cooperating with its supporting segments to prepare now for Senate and House hearings. The timetable in the House calls for hearings sometime in early October. This is the first order of business. Particularly because of the Administration's approach at the present time, we must undertake to prove the case for a more rapid and larger effort in the public employment field. We hope that all the varied elements in the Urban Coalition Action Council constituency and all others who have a concern about the commitment of this nation to offer job opportunities to those willing and able to work will assist us in this effort.

In order to prepare carefully for the anticipated hearings, we would welcome any comments or reactions that you might have to this proposed effort. We are particularly interested in critical reactions to the concept of public service employment as well as comments on present or proposed alternative methods in either the public or private sector for dealing with the problems of underemployment and unemployment in 1969.

July 30, 1969 (bs)

July 25, 1969

Mr. Arnold R. Weber
Assistant Secretary for Manpower
U. S. Department of Labor
Washington, D. C. 20210

Dear Mr. Weber:

Thank you for giving the Urban Coalition Action Council the opportunity to comment on the second draft of the General Description of the Public Service Careers Program.

The Urban Coalition Action Council strongly advocates an extensive public service employment program. At its Emergency Convocation in August 1967, the Coalition called for the creation of one million jobs in the public sector at the earliest possible moment. The Convocation Statement urged that a public service employment program should contain certain essentials such as:

- 1) An extensive program at all levels to assure that meaningful and productive work is available to everyone willing and able to work;
- 2) Funds for employment to local and state governments, and nonprofit institutions able to demonstrate their ability to use labor productively;
- 3) Operations keyed to specified localized unemployment problems and focused initially on those areas where need is most apparent.

As we have studied the Department of Labor proposed Public Service Careers Program, we find that your analysis of the present employment picture is in basic accord with the Coalition's. The concept of Public Service Careers has merit, but the main shortcomings are in the implementation. Therefore, we offer the following comments in the hope that you might see fit to broaden your proposal.

- 1) In not providing for wage supplementation, the program fails to realistically face the present financial crisis of most of our cities. Although cities desperately need more people to fill public service jobs, they nevertheless lack the financial resources to add these individuals to existing payrolls. The Action Council considers wage supplementation an essential ingredient and would urge

7/25/69

its addition to the final draft. Without wage supplementation, we believe the program is marked for failure.

- 2) We would strongly favor a more extensive program. The \$50 million appropriation is so small as to be ineffectual. If we read page 30 correctly, the present allocation is only \$28-million of fresh money, as some funds were already budgeted for New Careers in fiscal year 1970. The need for such an employment program far exceeds the approximate 17,500 jobs that would be provided.
- 3) Clearly the program is experimental in nature. It is the Action Council's position that we are beyond the experimental stage. There is already an excellent precedent in the JOBS program for the hire-first and train-later concept. Relying on Department of Labor and National Alliance of Businessmen statistics, it would appear that the concept and program have been well received. The practical effect of such experimentation will delay moving toward an extensive, well-funded program in the public service career area.

We would welcome the opportunity to meet with you to amplify any of our comments.

Sincerely,

Lowell R. Beck
Executive Director

FUTURE STEERING COMMITTEE MEETINGS

1969

December 10

1970

May 27

November 18

Report of the Housing Task Force

CHANGING THE SUBSIDIZED HOUSING-SYSTEM AND "BANKING LAND" TO MEET NATIONAL HOUSING NEEDS .

The nation's metropolitan areas consist, generally speaking, of land-poor central cities containing poor families living in substandard, overcrowded housing and land-rich suburbs which exclude housing for these families. The nation's need for at least six million houses for low- and moderate-income families in the next decade will not be met unless major steps are taken to break this impasse -- to build substantial amounts of housing where the vacant land is available.

Suburban enclaves could perhaps be tolerated when they were few in number, when urban population pressures were less, and when urban land was more plentiful. But the rapid increase in restrictive zoning regulations in recent years and the growing scarcity of urban land now greatly reduce the opportunities of low- and moderate-income city dwellers to leave the city for decent shelter and better public and commercial facilities near expanding job opportunities in the suburbs.

Restrictive zoning, high land prices, and the inability of federal programs to operate effectively in suburban areas are major constraints to increasing the supply of low- and moderate-income housing to meet our national needs.

As helpful as the 1968 Housing and Urban Development Act may prove to be, it makes no important changes in a system that we know cannot meet our national needs.

The power to place limits on zoning and building code powers of localities rests with the states. Yet there is little pressure within the states to make the necessary changes. Federal block grants to the States, should they be enacted, could be premised on basic reforms by state governments in regard to zoning, building codes and other archaic features of local government. However, our housing situation grows increasingly severe, and action to meet our housing needs cannot wait upon all these desirable reforms.

Accordingly, the Task Force on Housing, Reconstruction and Investment met on July 28, 1969, and resolved that The Urban Coalition move immediately to urge upon the nation and the Federal Government immediate steps to meet this problem.

With the approval of the Executive Committee, the Housing Task Force will draft a program indicating that the Federal Government must exercise a far greater degree of leadership than it has in the past by:

1) Restructuring the upside-down housing subsidies system whereby many localities may ignore the national housing need for low-income families, on the one hand, while those which want to act are entangled in self-defeating regulations, on the other. This system combines the worst disadvantages of decentralization with the worst disadvantages of centralization.

2) Reorganizing the low-rent public housing program to remove the stigma attached to it, and to enable it to perform in a state-wide and regional context in accordance with regional and state-wide housing goals.

3) Empowering the Federal Government to cut through the restraints of restrictive zoning and building codes and inadequate sites by meeting housing needs directly when the states or localities decline to do so.

4) Adopting a massive "land banking" program financed on a revolving-fund basis to enable localities to acquire land in advance of need for public purposes, including low-income housing, in the face of spiraling land costs.

TERMS OF OFFICE

At the current time Steering Committee members and Executive Committee members are elected for indefinite terms, terminated only by a member's resignation, death, or upon a vote of the Steering Committee to remove him from office. In order to assure the continued vitality of the Committees and an orderly process of turnover, terms of office should be established for all members.

It is therefore recommended that the Executive Committee approve the following policies and authorize the Chairman to implement them, including the incorporation of changes in the by-laws as may be necessary:

1. Except as noted in Paragraph 2, all Steering Committee members shall be nominated to serve for a term of two years and shall be eligible for re-election to additional terms.
2. The terms of office of members who hold public office or are officers of private organizations or businesses shall be up to two years but shall not exceed the term of their non-Coalition position.
3. The chairman and co-chairmen shall serve in that capacity for 2-year terms and shall be eligible for re-election.

4. Executive Committee members shall be elected for a term equivalent to their term on the Steering Committee and shall be eligible for re-election.
5. The Nominating Committee shall be established as a permanent committee of the Executive Committee. Its members shall serve for a term equivalent to their term on the Executive Committee and shall be eligible for re-election. The size of the committee shall be fixed by the Chief Executive Officer but may not be less than five.
6. Individuals will be elected to the Steering Committee, Executive Committee and the Nominating Committee by a majority vote of the Steering Committee which may be taken either by mail or at a regularly scheduled meeting.
7. The Chairman is authorized to assign terms of office to all current members of the Steering Committee in accordance with the policies stated above.

National Minority Contractors Institute

Background: Historically, minority group construction contractors have been outside the mainstream of the construction industry. Although the nation has approximately 870,000 general and specialty contractors, fewer than 2,000 or two-tenths of one percent are black. While a reliable estimate of the number of contractors among other minorities is not available, it seems safe to assume that they too have little representation.

The development of minority contractors in the past has not kept pace with the industry's growth and there is no reason to assume that without assistance the gap between minority contractors and other contractors will not continue to drastically widen.

The pressing need is for a program to develop minority contractors and to enable them to develop the entrepreneurial skills required to sustain a major construction program. In this way, we can begin to create opportunities not only for entrance into the construction industry as general and sub-contractors, but also for the development of skilled craft job and union membership opportunities.

The Proposal: To establish a National Minority Contractors Institute which will promote and facilitate the development of minority construction contractors in the major urban areas and enhance opportunities for minority entrepreneurship and employment in this industry.

Specific Goals: 1) To increase the participation of minority group contractors in the building and construction industry; 2) to multiply at all skill levels the minority group work force in that industry; and 3) to assist core city residents' participation in the rebuilding process in their communities.

Methods: These goals will be achieved by: 1) informing relevant institutions of the problems of minority contractors and stimulating solutions essential for their greater participation in the construction industry; 2) serving as a focal point and source for getting technical assistance to local contractor associations and/or contractors; 3) providing for dissemination of information to contractors and exchanges of experience; 4) assisting, as needed, the National Minority Contractors Association; 5) assisting in the development of local minority contractors associations wherever the demands indicate; 6) aid in developing funding sources to provide resources necessary for local staff support and local working capital needs of association members; 7) development of manpower programs relevant to the needs of the contractors and to the communities which they serve.

Operations of the Institute: The three major components will be a) Revolving Capital Fund, b) Technical Assistance, and c) Manpower. A working capital revolving fund will help minority contractors overcome critical financing and bonding obstacles. Technical

assistance will help minority contractors develop the business and management skills necessary to compete more effectively for a greater share of the nation's construction business. Manpower training programs will be developed -- in close cooperation with the building trades unions -- to develop and upgrade craftsmen at all skill levels.

Urban Coalition role: The Coalition will assume a catalyst role in the establishment of the Institute with the goal of spinning it off as a separate non-profit organization as soon as feasible. The Coalition's effort will include fund-raising, locating private sector representatives willing to assist Institute programs, disseminating information about the Institute, and helping identify local communities for priority attention.

Organization: The Board of Directors of the Institute will reflect a partnership between minority contractors and those committed to assisting them.

Staffing: The Institute staff will consist initially of a Director and a secretary. As programs reach the development and implementation stage -- and as funding resources become available -- additional staff will be added to administer the revolving capital fund, technical assistance, and manpower programs of the Institute.

FOUNDATION TAX ISSUES

Report of Action by House Ways and Means Committee
as of Wednesday, August 6, 1969

The House Ways and Means tax reform bill, which will be debated on the House floor this week, contains several important provisions relating to foundations and their grantees. At its last meeting, the Action Council went on record in opposition to many of the Committee's earlier proposals.

This is a report on the final action of the Ways and Means Committee

1. Definition of Private Foundations. Private foundations have been newly defined to include groups such as the Urban Coalition and the Brookings Institution, in addition to groups such as the Ford and Carnegie foundations. As such they are now subject to an income tax and new limitations on their activities.

2. An annual tax of 7 1/2 per cent was imposed on net investment income.

Explanation: The original tentative proposals had recommended a tax of 5 per cent. It is estimated that revenue increases at 7 1/2 per cent will produce \$65 million in the first year.

This is, in fact, a tax on beneficiaries of foundations rather than on foundations. The Coalition may now have to pay a tax on its next investment income.

3. Restrictions on Activities. The newly defined foundations (including the Coalition) would be prohibited from:

- a) Carrying on propaganda or otherwise attempting to influence legislation.
- b) Attempting to influence legislation through attempting to affect public opinion, and through private communication with a member or employee of a legislative body, or with any other person who may participate in the formulation of legislation (Except through making available the results of nonpartisan analysis or research).

Explanation: This is a modification of the original tentative proposals which prohibited foundations from engaging in any activities intended to influence the decision of any governmental body. It is intended to tighten up the rules against lobbying.

Under present law, a foundation may influence legislation if this is not a substantial part of its activity. The new legislation would remove this test and allow no influencing of legislation.

The Committee Report explains that these provisions are designed to prohibit grassroots campaigns for the purpose of influencing legislation. Further, foundations may discuss broad policy

questions with congressmen and government agencies; they are precluded from "direct attempts to persuade congressmen and government officials to take positions on specific legislative issues."

4. Voter Registration. Foundations would be prohibited from engaging in voter registration drives unless grants are made to a 501(c) (3) group that:

- a) operates in five or more states
- b) receives support from five or more organizations, none of which provides more than 25 per cent of its support.

Explanation: The tentative proposals would have prohibited foundations from engaging in any voter registration activity or paying for any such activity. The bill moves away from that strict view. The League of Women Voters Education Fund and the Southern Regional Council are specifically mentioned in the Committee Report as examples of organizations which would be permitted to engage in voter registration.

But other registration and education programs--now conducted by numerous smaller groups in less than five states--will be prohibited from receiving foundation support.

* * * *

The House bill will, in all probability, be passed by the full House this week under a "closed" rule. Floor amendments to tax

bills generally are not permitted, and passage of the tax reform bill seems assured.

The Action Council and many of its cooperating groups have worked to modify the tentative proposals of the Ways and Means Committee so that the vital activity of foundations and foundation-related organizations can go forward.

Our attention now turns to the Senate and the Finance Committee in particular which will begin considering tax reform proposals after the August Congressional Recess.

ATLANTA URBAN CORPS

30 COURTLAND STREET, N.E. / PHONE [404] 524-8091 / ATLANTA, GEORGIA 30303

I N T E R - O F F I C E M E M O R A N D U M

TO: Mayor Ivan Allen, Jr.

DATE: June 19, 1969

FROM: Sam Williams *sw*

SUBJECT: Speech to the Atlanta Service-Learning Conference

Thank you for agreeing to address the initial meeting of the Atlanta Service-Learning Conference, June 30 at the White House Motor Inn, 30 Houston Street.

As we discussed, all 225 Urban Corps interns will be in attendance as well as representatives of local colleges, businesses, and government agencies. We also expect out-of-town representatives of service programs such as Peace Corps, VISTA, Teachers Corps, and others.

Speakers for the two day conference include Georgia Tech's new President, Clark College Student Body President, Peace Corps Director and White House staff members.

You are scheduled to welcome the group at 9:00 a.m., June 30. I am forwarding through Dan Sweat an outline of comments you might consider appropriate for your address.

cc: Dan Sweat

The Atlanta Service-Learning Conference
invites you
to its inaugural meeting
Urban Needs = Educational Opportunities
at the
White House Motor Inn, Atlanta
June 30 -- July 1, 1969

The first in a series of meetings
planned for 1969 by sponsors of the
Atlanta Service-Learning Conference,
including:

The City of Atlanta
The Atlanta Urban Corps
Economic Opportunity Atlanta
The Colleges and Universities of Atlanta
Department of Health, Education and Welfare
The Southern Regional Education Board
Volunteers in Service to America
The Peace Corps

THE ATLANTA SERVICE--LEARNING CONFERENCE

Atlanta shares with other major American cities its needs for increased services and its large population of college students -- some 40,000 in the metropolitan area. In an attempt to explore ways to meet urban needs, to offer students a more relevant education, and to bring campus and community closer together, Atlanta students, city officials, higher education faculty and staff, regional and federal agency officials are jointly launching the Atlanta Service-Learning Conference.

Meeting Series

The meeting on June 30 and July 1 marks the opening event of the Conference. The Conference will continue for six months and will sponsor periodic meetings to consider major dimensions of the service-learning concept.

Work Groups

In exploring the service-learning concept, work groups will be formed to concentrate on particular aspects of the idea. These work groups, and a typical question to be posed to each of them, are listed below:

Service: How can the student make a maximum contribution in his short term assignment?

Learning: What learning can take place during the assignment?

Curriculum: What are the implications of the service-learning idea for curricular development?

Financing: What is an equitable distribution of cost among the host agency? the college? the government?

Research: How are students' educational and career choices affected through participation in service-learning programs?

Methods and Programs: How should a service-learning program be designed for implementation on a large scale?

Laboratory

Among the work group participants will be members of the Atlanta Urban Corps and other service-learning programs which will form a practical laboratory for the Conference.

Information Exchange and Results

The Conference will foster the exchange of information among participants and with interested persons in other metropolitan areas. It is already sponsoring surveys of student manpower resources in the urban area, of the needs of the public and voluntary agency sectors for student manpower, and of present college and university programs helping to fill these needs. A wrap-up meeting and publication is planned for the coming winter, when plans for continuing the examination of service-learning and extending service-learning programs will be considered.

Participation

Participation in the Conference is open to all persons and groups interested in sharing information on service-learning programs.

Inquiries may be addressed to:

Atlanta Service-Learning Conference
Peace Corps, Southern Region
Suite B-70
275 Peachtree Street, N.E.
Atlanta, Georgia 30303

Urban Needs = Educational Opportunities

Monday, June 30

- 9:00 Welcome by Mayor Ivan Allen
- 9:30 *A Case Study* presented by the service-learning players
- 11:00 *Service-Learning in Action in Atlanta* -- up-to-the-minute report
- 12:15 *Needs of Urban America* luncheon address
- 2:00 Seminars on service-learning concept and programs
- 5:30 Social hour
- 7:00 *Educational Needs of Young People* -- dinner address

Tuesday, July 1

- 9:00 *Service-Learning and National Programs*, an exchange with national officials of the Teacher Corps, VISTA and the Peace Corps
- 11:00 Workshops
- A. Service
 - B. Learning
 - C. Curriculum
 - D. Finance
 - E. Research
 - F. Methods and Programs
- 12:15 *Service by Youth* luncheon address
- 2:00 Workshops resume
- 4:00 Workshop reports and discussion
- 5:00 What Next?
- 5:30 Conclusion

April 30, 1969

✓
Dr. John W. Gardner
Chairman
National Urban Coalition
1819 H Street, N. W.
Washington, D. C.

Dear John:

The Atlanta Chamber of Commerce is planning a special program beginning in September 1969. The purpose of Leadership Atlanta is to develop a group of identifiable young leaders; acquaint them with the basic problems and suggested solutions of the problems facing Atlanta; and encourage participation in positive community leadership.

There will be approximately 50 participants in this program; 30 sponsored by business firms, and 20 chosen from outside the business community to insure participation from low income Negro groups. A real effort is being made to insure representative membership among the participants.

The sessions will be held once a month. Each one is developed by the Chamber and a different educational institution. Background reading material will be required before each session. The format will be generally as follows:

- 1) Address on topic
- 2) Supper
- 3) Panel or seminar involving local figures

A listing of the subjects to be covered is included.

April 30, 1969
Dr. John W. Gardner

Page Two

The first session is scheduled for September 29, 1969. The Chamber would like for you to keynote the program with an opening address. Frank Carter, Chamber President, and I have been asked to participate in the after-dinner session and are planning to do so.

On behalf of the Chamber, I hope you can participate in this most worthwhile undertaking. If you would like, I will be happy to arrange other engagements for you during the day.

Sincerely yours,

Ivan Allen, Jr.

IAJr:lp

Enclosures

April 24, 1969

Mr. John W. Gardner
Chairman
National Urban Coalition
Washington, D. C.

Dear Mr. Gardner:

The Atlanta Chamber of Commerce is planning a special program beginning in September 1969. The purpose of Leadership Atlanta is to develop a group of identifiable young leaders; acquaint them with the basic problems and suggested solutions of the problems facing Atlanta; and encourage participation in positive community leadership.

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Sincerely,

Ivan Allen, Jr.

IAjr:jct

Enclosures

April 24, 1969

Dr
Mr. John W. Gardner
Chairman
National Urban Coalition
Washington, D. C. *1819 H St, NW*
John 20006
Dear ~~Mr.~~ Gardner:

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Sincerely,

Ivan Allen, Jr.

IAjr:jct

Enclosures

4/25

Ann -

Here is suggested
letter. An enclosure
should be attached,
using the schedule
marked ①. I would
also suggest you
enclose the printed
Program -

would be like to
be invited to speak
to Rotary on 9/29? Jan

Office of the Mayor

ATLANTA, GEORGIA

From — Mrs. Ann M. Moses

Jan:

This is on the
calendar - Draft the
letter you want us
to send Gardner

A

MEMORANDUM

Handwritten initials: "Ivan" over "OK"

DATE: April 22, 1969
TO: Ivan Allen, Jr.
FROM: Ivan Allen, III
RE: ATLANTA CHAMBER LEADERSHIP PROGRAM

You are familiar with the Leadership Program which the Chamber is planning for 1969/1970. I am enclosing some descriptive material on the program, along with specific topics which will be covered.

In order to properly kick off this program, we would like to ask Mr. John Gardner, Frank Carter and yourself to participate in our September 29 session. We would like Mr. Gardner to key-note this meeting with a talk before dinner. After dinner we would like to ask the three of you to participate in a panel type discussion dealing with the general subjects of urban development and growth.

First I hope that you can be with us on September 29. Second, we would like the official invitation to Mr. Gardner to come from your office. We will be happy to provide you with whatever background material you might need in issuing this invitation to him. Opie Shelton can give Ann any necessary details.

Handwritten arrow pointing up and to the right

Handwritten signature: "Ivan"

Office of the Mayor

ROUTE SLIP

TO:

Don Swear

FROM: Ivan Allen, Jr.

- For your information
- Please refer to the attached correspondence and make the necessary reply.
- Advise me the status of the attached.

*We will want to
look at this when
it comes in -*

I
Mayor Allen

*I had a long phone
conversation with one of the
staff of urban America several
days ago to update our
program -*

DEL

The Urban Coalition

1819 H Street, N.W.
Washington, D. C. 20006
Telephone: (202) 223-9500

CHAIRMAN: John W. Gardner

CO-CHAIRMEN: Andrew Heiskell / A. Philip Randolph

February 18, 1969

The Honorable Ivan Allen, Jr.
Mayor of the City of Atlanta
City Hall
Atlanta, Georgia 30303

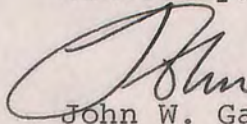
Dear Ivan:

The staffs of Urban America and the Urban Coalition are producing jointly a study of what has happened to the domestic crisis in the year since the Kerner Commission made its report. The new assessment, "One Year Later", will not attempt to duplicate the work of the National Advisory Commission on Civil Disorders. It will use the report as a point of reference. It will attempt to report factually and objectively whether or not we have moved from that reference point; in which direction, and importantly, whether or not our ability to move positively has increased or decreased.

Responsibility for content of the new report will rest with the staffs of Urban America and the Coalition. However, the author and editors have been assisted by an advisory panel: Senator Fred Harris; Mayor John Lindsay; David Ginsburg, former executive director of the Commission; Dan Parker, immediate past chairman of the National Association of Manufacturers; the Reverend Channing E. Phillips, District of Columbia Housing Development Corporation; and Tom Wicker, Associate Editor, The New York Times.

The Kerner Commission reported on March 1, 1968. "One Year Later" will be published in early March 1969. Advance copies of the manuscript and supplementary materials will be released to all media and interested organizations beginning February 24 for use no earlier than February 27, on which date a press conference will be held in Washington to release the publication. Copies of the manuscript will be sent to you no later than February 24.

Sincerely,


John W. Gardner

THE URBAN COALITION ACTION COUNCIL

JOHN W. GARDNER
CHAIRMAN
1819 H STREET, N. W.
WASHINGTON, D. C. 20006

5 July 1968

WEEKLY LEGISLATIVE REPORT (Current as of July 5, 1968)

FROM: THE STAFF

THE STATUS OF SUBSTANTIVE LEGISLATION

The Emergency Employment and Training Act of 1968

Senate hearings have been completed.

Review and action by the full Committee is expected to take place during the week of July 8th.

It is expected that the extension of the Manpower Development and Training Act (MDTA) as reported by the Subcommittee will also be considered by the full Committee during the week of July 8th.

STATUS OF HOUSE LEGISLATION

The Select Subcommittee on Labor has completed hearings.

The Committee is expected to mark-up the bill in executive session probably not before the week of July 15th.

The MDTA extension has been reported by the full Committee and the measure will be before the Rules Committee on the 8th or 9th of July. House floor action should take place shortly thereafter.

The Revenue and Expenditure Control Act of 1968 (formerly the Tax Adjustment Act of 1968)

The ten percent tax surcharge and the \$6 billion in budget cuts is now Public Law 90-364. The President signed the measure on June 28th.

Prevailing sentiment in Congress is for making every possible effort to accomplish as much of the \$6 billion cut as possible. Many members view the cuts as basically a Congressional responsibility.

Housing and Urban Development Act of 1968

SENATE

The Senate passed its version of the Act (S-3497) on May 28th.

HOUSE

The Banking and Currency Committee's version of the bill (HR-17989) was given a rule on June 27th and is scheduled for floor debate on Monday, July 8th. Final vote is expected on Tuesday, July 9th.

THE STATUS OF APPROPRIATIONS MEASURES

The proposed schedule of action on Appropriation bills concerning legislation of interest to the Action Council is:

1. The Housing and Urban Development Appropriations bill for Fiscal Year 1969 passed the House on May 8th.

The Senate Appropriations Subcommittee on Independent Offices has completed its mark-up of the bill and the full Committee is expected to complete its review of the bill on Tuesday, July 9th. The Committee is expected to request a waiver of the three day rule and ask for Senate floor debate on Wednesday or Thursday.

2. The Labor-HEW (including OEO) Appropriations bill passed the House on June 26th. The Whitten Amendment, passed by a Teller (unrecorded) vote, prohibits the use of funds appropriated by the bill to force busing of school children, to abolish any school or to force secondary school students to attend a particular school against the choice of parents.

The House also approved serious cuts in Title I of the Elementary and Secondary Education Act (aid to schools in impoverished areas), the Teacher Corps and the Office of Economic Opportunity.

The Senate Appropriations Subcommittee on Labor-HEW (including OEO) held hearings on the budget request in May and is not expected to hold any further hearings. It is, however, expected to complete mark-up action by the end of the week of July 8th.

Restoration of House cuts of OEO and HEW requests, including Teacher Corps, and defeat of the Whitten Amendment should be accomplished within Committee. It is crucial that every effort be made in the Senate to restore the amounts cut by the House.

3. The Second (regular) Supplemental Appropriations bill for Fiscal Year 1968 went into conference where House conferees reduced the \$75 million requested for summer jobs to \$13 million and reduced the \$25 million requested for Headstart to \$5 million. The bill as amended by the conferees was subsequently passed by both the House and Senate and is now waiting the President's signature.

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THE URBAN COALITION ACTION COUNCIL

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WEEKLY LEGISLATIVE REPORT
(Current as of June 27, 1968)

FROM: THE STAFF

THE STATUS OF SUBSTANTIVE LEGISLATION

The Emergency Employment and Training Act of 1968

Senate hearings have been completed.

The Subcommittee reported out a clean bill on June 26th. It is a bi-partisan measure which should be reviewed and acted upon by the full Committee during the week of July 8th - 12th.

The Subcommittee strategy dictated reporting out the Emergency Employment measure separate from the proposed Manpower Development and Training Act (MDTA) extension.

STATUS OF HOUSE LEGISLATION

The Select Subcommittee on Labor has scheduled its last day of hearings for July 1st. The final mark-up of the bill by the Subcommittee will probably be delayed until after the July 4th recess.

The Labor Committee reported out the MDTA extension on June 27th.

The Revenue and Expenditure Control Act of 1968
(formerly the Tax Adjustment Act of 1968)

The bill contains a ten percent tax surcharge and \$6 billion in budget cuts. The measure passed the House by a vote of 268-150. The Senate approved the bill on the 21st and the measure is now awaiting the President's signature.

Congressional leaders are suggesting that \$3 billion of the \$6 billion cut will be approved by Congressional action.

Housing and Urban Development Act of 1968

SENATE

The Senate passed its version of the Act S-3497 on May 28th.

HOUSE

Banking and Currency Committee Chairman Wright Patman introduced clean bill HR-17989 on June 19th. The Committee's report was filed June 20th (House Report 1585).

Chairman Patman went before the Rules Committee on June 27th. An open rule (permitting floor amendments) and four hours of general debate were voted. The measure is expected to be on the floor in the House for action right after the July 4th recess (which concludes July 8th).

THE STATUS OF APPROPRIATIONS MEASURES

The proposed schedule of action on the part of the Appropriations Subcommittees concerning legislation of interest to the Action Council is:

1. The Housing and Urban Development Appropriations bill for Fiscal Year 1969 passed the House on May 8. The Senate Appropriations Subcommittee on Independent Offices expects to complete its mark-up of the bill on the afternoon of June 27th. The full Committee will mark the bill up on June 28th.
2. The Labor-HEW (including OEO) Appropriations bill passed the House on June 26th. The Whitten Amendment which would prohibit the use of funds appropriated by the bill to force busing of school children, to abolish any school or to force secondary school students to attend a particular school against the choice of parents, passed fairly easily on a Teller (unrecorded) vote.

Serious cuts were made in many of the education programs in the Appropriations Committee and were upheld by the House. Hard hit were Title I of the Elementary and Secondary Education Act (aid to schools in impoverished areas), the Teacher Corps and Office of Economic Opportunity.

Efforts will have to be concentrated on the Senate to restore these funds and defeat the Whitten amendment which would subvert the 1964 Civil Rights Act.

3. The Second (regular) Supplemental Appropriations bill for Fiscal Year 1968 easily passed the Senate on June 26th by an 87 to 2 vote. As passed the measure includes \$75 million for summer jobs and \$25 million for Headstart as actively sought by the Action Council.

The House on June 28th refused to accept the bill and called for a Joint Conference with the Senate naming as House Conferees:

House Appropriations Chairman George Mahon,
Congresswoman Hansen, Congressman Whitten,
Sikes, Natcher, Flood, Jonas, Laird, Langen,
Lipscomb.

The Conferees meet June 28th and if agreement is reached, the Conference report will be filed on July 1st. Floor action in the House would follow at the earliest on July 2nd.

LETTER TO CONGRESS

As authorized at the June 10 meeting of the Urban Coalition Action Council, the Council issued June 27th a statement of concern for action on the urban crisis in the form of a letter from Chairman Gardner to each member of Congress. The text of the letter is attached. Comparable communications from members of local coalitions to Senators and Congressmen are urgently needed.