

REPRINTED FROM

THE NEW YORK TIMES, THURSDAY, DECEMBER 5, 1968

'Exiles' From Government Heading National Urban Coalition

By JOHN HERBERS

Special to The New York Times

WASHINGTON, Dec. 4 — Some of the ablest innovators and mechanics of the New Frontier and Great Society are to be found two blocks from the White House in the offices of the National Urban Coalition. This private agency has become the vehicle for the special talents and persuasion of John W. Gardner, the former Secretary of Health, Education and Welfare.

The kind of ferment and excitement that pervaded the Government in the Kennedy Administration and early part of the Johnson Administration is present to a degree within the coalition, which occupies two floors of an office building at 1819 H Street.

Many on Mr. Gardner's staff of professionals are, in effect, exiles from the Government and have transferred their hope for a better society from the public to the private sector.

A Commitment Sought

They show less optimism about the possibility of quick change and less self assurance than was evident in Washington in the days before the big city riots. But they are finding America to be a little wiser about its urban predicament and are moving to achieve a national commitment in that area.

The force that Mr. Gardner has assembled in the last seven months has two main objectives: To organize a massive lobbying effort to obtain the



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John W. Gardner

legislation that the coalition considers essential for the cities and to activate local leadership, especially the business community, through local affiliates.

Mr. Gardner said in an interview that the coalition's annual budget at the national level was \$3.5-million but that the overall cost, including that of 39 local coalitions, would be about \$20-million. The money is provided by contributions from individuals, businesses and foundations.

Three years ago President Johnson described the adverse forces faced by Negroes in the slums as a "seamless web"

that would yield only to a total attack. The coalition itself is moving in several areas, if only in small ways.

School Aid Disputed

For example, its education division, headed by Dr. James Kelly, an associate professor at Columbia University, is supporting with funds and research a lawsuit that could radically change the method by which most states allocate school funds, so as to give inner-city schools a larger share.

The suit, brought by the Detroit Board of Education against the State of Michigan, charges that the system of appropriating the same amount per child in both rich and poor districts is inherently unfair to the slum child. The case, now in a state court in Detroit, is expected eventually to be decided by the United States Supreme Court.

Other "problem solving" projects are under way in the fields of employment, education, housing, economic development of the slums, legal services and health—all under the general heading of program development.

The coalition was founded by a group of private citizens in August, 1967, after the nation had been raked by riots. It brought together business, religious, labor and civil rights leaders in an effort to reorder national priorities in the urban crisis.

Its stated objectives was to bring about expanded Federal

efforts to provide jobs, an adequate income, decent and nondiscriminatory housing and improved education for the poor.

There was considerable skepticism about what it could accomplish, and for a time it appeared that the coalition would disappear for lack of leadership, staffing and coordination. Mr. Gardner became its chairman the following spring and has been steadily building his staff.

"The staff was assembled from two sources: persons who had worked with Mr. Gardner in government and those who beat on the doors to get in," according to a coalition spokesman.

The latest high-level official to arrive is George A. Silver, who had been deputy assistant secretary for health and scientific affairs in the Department of Health, Education and Welfare and who will head up a health program for the coalition. Dr. Silver was an idea man for the Government ("it would take several trucks to haul away my unused memos," he says) and hopes to be the same at the coalition.

Health Crisis Seen

In an interview amid packing boxes in his new office, Dr. Silver said there was a crisis building in most communities regarding health services, due in part to a lack of understanding among the classes of people and professional groups involved. He hopes to build "communications bridges" between them.

Following is a sample of others who have joined the staff: M. Carl Holman, formerly deputy staff director of the United States Commission on Civil Rights, and now the coalition's vice president for program development.

Bryan Duff, who was on the public affairs staff of the National Aeronautics and Space Administration and is now vice president for communications.

Lowell Beck, who was on the

staff of the American Bar Association and is executive director of the Urban Coalition Action Council, the coalition's lobbying arm.

A visitor gets the feeling that if Mr. Gardner were to leave, the coalition might fall apart. This is due in part to the fact that he has the respect of liberals because of his commitment to Federal action, and of conservatives because he is a Republican with a wide following in the business community.

The emphasis is on getting business leaders and others with "clout" in their communities involved. John Dean, a Negro who had been southeastern director for community action programs under the Office of Economic Opportunity, is overseeing the formation of local coalitions in the same area.

It is a slow, difficult task, he acknowledged, but the first step is to interest business and other community leaders in establishing a coalition. The blacks, he said, are no longer interested in meeting just with the white liberals who mean well but have little power. "They want to meet with the people who can get something done," he said.

Mr. Gardner believes the greatest failure has been at the community level. As Secretary of Health, Education and Welfare, he was assured by his own staff and other leaders in some communities that there would be no riots just before the riots broke out. In some cities white leaders still do not know who the real Negro leaders are.

Performance Varies

"We have talked a great game of community leadership, but we haven't lived up to it," he said. "The Federal Government can only give the communities the pieces [in grants and programs], and it is up to them to put the pieces together."

The performance of the local coalitions has varied widely. Many are still in the formative

stage. The Minneapolis Coalition is cited as the good example. It has sponsored such things as "Anti-Racism Week" for the education of suburban whites. White leaders ventured into the slums and were exposed to such remarks as: "Did you see what the honkies did? They raised \$5-million for the Minneapolis Symphony."

Stephen Keating, president of Honeywell, Inc., and chairman of the coalition, withstood outrage and insults in "confrontations between the powerless and the powerful."

But cities like Minneapolis, New York and Detroit are exceptions. Some cities whose Mayors are members of the national steering committee—Chicago, Pittsburgh and Phoenix—did not even have coalitions as of last month.

Mayor Richard J. Daley of Chicago has said his Democratic organization provides the same service, and in cities like Atlanta progressive leaders who have traditionally met in private and decided what is best for the community are reluctant to give up that prerogative.

Because of the coalition's emphasis on private initiative, Mr. Gardner is hopeful of having the cooperation of the incoming Nixon Administration. Members of the steering committee are to meet soon with the President-elect, and Mr. Gardner already has held meetings with several of Mr. Nixon's advisers.

He is pleased with the list of persons he has been told Mr. Nixon is considering for the Secretaries of Health, Education and Welfare and Housing and Urban Development.

But there is skepticism within the coalition about the use of tax credits, which Mr. Nixon has proposed in an effort to enlist private enterprise in rebuilding the slums and providing employment. Mr. Gardner says the proposals must be made more specific and studied carefully before his organization will decide on their merit.



NEW SYMBOL of Urban Coalition makes "U" and "C" the links of a chain. Sandgren & Murtha, Inc., designed it.

New York Coalition Scoring Its First Dramatic Gains in Slums

By SYLVAN FOX

A grimy foundry in Harlem changed ownership recently, and with the transaction, all the talk about giving Negroes a "piece of the action" took a small but profound step toward reality.

The foundry, at 402 West 126th Street, was sold by its two white owners, Frieda Bogorod and Ernest Kruezer, to the Harlem Commonwealth Council, a Negro economic development corporation.

Behind the sale lies an important part of the story of what the New York Urban Coalition is all about; for it was with the help of the coalition—a group of some 160 business, labor and community leaders who believe life in New York's slums can be improved by private effort—that the deal was accomplished.

The story of the coalition also lies in the help it gave to a Negro man who wanted to open a shoe store in Harlem.

And it lies in the dedicated activities of the city's street academies, which seek to salvage high school dropouts from lives of ignorance and degradation.

Not An 'Illusion'

It even lies in a little vacant lot on 118th Street and Park Avenue, which in a few months will become the first of dozens of miniparks created with coalition aid.

"We're not under the illusion that the private sector can turn the city around," said Saul Wallen, the president of the New York Urban Coalition, as he reviewed its first-year accomplishments. "But we can have an impact."

Except for the trumpeting of its slogan — "Give a damn" — the coalition has operated quietly during the year, possibly because it did not seek

publicity for its first tentative steps and avoided controversial areas until this week.

But on Monday the coalition purchased newspaper advertisements strongly backing school decentralization under the headline: "If it works in Scarsdale, it can work in Ocean Hill." The text of the advertisement included a decentralization resolution approved by the group's board of directors after some vigorous private debate.

Officials of the United Federation of Teachers said yesterday that the union was preparing a statement "rebutting some distortions" in the advertisement.

A Dramatic Step

The sale of the Acme Foundry to the Harlem Commonwealth Council is, perhaps, the most dramatic tangible step the coalition has yet made toward changing things in the depressed black and Puerto Rican communities.

The Harlem Commonwealth Council was organized 18 months ago by Roy Innis, now the national director of the Congress of Racial Equality and a firm believer in black economic development. Mr. Innis is also a member of the New York Urban Coalition, which is the local arm of the National Urban Coalition.

His simultaneous role in both groups made it natural for the Urban Coalition and the Harlem Commonwealth Council to cooperate, and when Miss Bogorod and Mr. Kruezer informed the coalition they wanted to sell their foundry, the wheels were quickly set in motion.

The price the foundry owners had set was \$45,000 plus about \$70,000 in cash on hand, accounts receivable and inventory.

The coalition marshaled the needed assistance to complete the deal. Allen Herzig of Kidder, Peabody & Co., the investment banking firm, did a financial analysis of the foundry. Stuart Goldman, a Wall Street lawyer, handled the legal work involved in the purchase.

The Abex Corporation, a manufacturer of control equipment and the owner of several foundries, agreed to provide technical aid and arranged for the new president of the foundry, Rozendo Beasley, to attend a training course given by the American Foundrymen's Society.

Loans Are Granted

Through the efforts of the coalition, the Morgan Guaranty Trust Company lent the Harlem Commonwealth Council \$50,000. The coalition's Venture Corporation—one of two economic development corporations it has established to help black and Puerto Rican business enterprises—put up \$20,000, and the Episcopal Diocese of New York provided a loan of another \$20,000.

Under its new ownership, the foundry employs 27 persons and does a gross business of \$500,000 a year.

But Negro ownership of the plant, while an important step, is just the first, according to Mr. Beasley, a dynamic, mustached 33-year-old business administration graduate of Michigan State University.

When the foundry has paid off its \$95,000 debt, he explained, the Harlem Commonwealth Council plans to sell shares to Harlem residents at a price they can afford to pay.

"Our aim is economic development," he said, "spreading the equity within the community. That's what we're shooting for."

As a corollary objective, he said, the Harlem Commonwealth Council hopes to prove that Negro businessmen can run an enterprise so successfully that investment will be attracted to other black-operated businesses.

"A lot of financial institutions say there are no businesses in ghettos worth investing in," Mr. Beasley said. "We want to prove that is wrong. A lot of financial institutions say there isn't enough black managerial talent available in the ghetto. We want to prove this wrong, too."

"Our main function is to get in there and make dough."

Cooperation between the Harlem Commonwealth Council and the New York Urban Coalition has also led to the establishment of a shoe store under Negro ownership at Lenox Avenue and 134th Street. The Tru-Fit Stride Rite store, which is owned by Al Jackson, opened in September.

Mr. Jackson, who had been the manager of a Miles shoe store in Harlem, was chosen from among eight possible owners whose names were submitted to the Green Shoe Company by the Harlem Commonwealth Council. The Green Shoe Company put up about 90 per cent of the needed investment, Mr. Jackson the rest.

The New York Urban Coalition helped Mr. Jackson refurbish the store, provided legal assistance in the preparation of his tax and insurance papers and is providing managerial and technical assistance through its Development Corporation.

Companies Back Academies

Another aspect of the New York Urban Coalition's work is evident at a street academy at 259 West 64th Street, where 30 youngsters who have dropped out of high school are getting an education.

The first street academies were established by the New York Urban League several years ago to deal with the problem created by the grow-

ing number of high school dropouts.

Recently the New York Urban Coalition moved in, convinced businesses to invest in the education of high school dropouts, and won pledges from 15 companies of \$50,000 a year each to support a street academy. Twenty-three are now in operation or soon to be opened.

'Beautiful Communication'

Among the companies recruited by the coalition to support street academies are McGraw-Hill, American Airlines, Pan Am, International Business Machines, Time Inc., Celanese Corporation, Sinclair Oil Company, Union Carbide, First National City Bank, Chase Manhattan Bank, Burlington Mills and American Express.

At the McGraw Hill Street Academy on West 64th Street, five teachers work with 30 youngsters. McGraw-Hill found the site for the academy, provides teaching material, puts up the money that is needed to run the school and conducts regular conferences with members of the academy staff to discuss the work being done there and to sound out the teachers on how educational materials and textbooks can be improved.

"We've become, in a sense, a laboratory for them," David Rathbun, a 26-year-old teacher at the academy, said of McGraw-Hill. "There's a very healthy, beautiful kind of communication."

At 118th Street and Park Avenue, a small lot lies vacant. Next to it stands an abandoned five-story building slated for demolition. In a few months, it is hoped, the site will be transformed into a minipark.

Again, the New York Urban Coalition has been the catalyzing agent behind the project. Last summer the Amalgamated Clothing Workers of America gave the coalition \$40,000 for the construction of miniparks.

The coalition turned about \$27,000 of this money over to the Upper Park Avenue Com-

munity Association, which has been working on a neighborhood rehabilitation program. The community association bought the lot and commissioned plans for the minipark. It is expected to be completed in early spring.

These are a few of the coalition's activities. There are others. In the South Bronx, the New York Urban Coalition has given the United Bronx Parents, Inc., \$50,000 to conduct a training program, now in progress, on school decentralization. After serious internal debate, the coalition strongly endorsed the program.

News Jobs Filled

Last summer, with coalition financial help, 20 Negro and Puerto Rican young people attended a course in radio and television journalism at the Columbia University Graduate School of Journalism. All have been placed in news jobs.

The coalition has committed \$150,000 for four housing projects that needed money to go ahead with their construction plans. It has provided \$20,000 to the East Harlem Skills Training Center, which is conducting a training program in the printing trades for at least 200 Negroes and Puerto Ricans. The coalition has obtained, in conjunction with the National Alliance of Businessmen, pledges of 19,000 jobs for hard-core unemployed, and already has filled 9,000 jobs.

The National Urban Coalition was formed in August, 1967, by a group of private citizens who were convinced that private business, labor and community leaders could make a significant contribution to improving life in the nation's slums.

John Gardner, the former Secretary of Health, Education and Welfare, heads the national organization, and Mayor Lindsay and Andrew Heiskell, chairman of Time Inc., are co-chairmen of its steering committee.

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Slow, Substantial Gains

The New York Urban Coalition was organized last October with Christian A. Herter Jr., vice president of the Mobil Oil Corporation, as its chairman, and Mr. Wallen, a labor mediator, as its president.

At first, progress was slow. It still does not come at breakneck speed, but Mr. Wallen attributes this to the organization's "democratic character" and to the complexity of the problems it confronts.

Yet there have been some substantial gains in this first year—both of a tangible and an intangible nature, Mr. Wallen says.

"One of the major accom-

plishments," he said as he sat the other day in his 35th-floor office at coalition headquarters, 60 East 42d Street, "is maintaining a continuing dialogue between blacks and Puerto Ricans, business and labor. We don't have anything like that anywhere else in the city.

"And we've built an organization and conducted a public-relations campaign that articulated the concern of the white establishment about ghetto problems.

"A year ago, when the coalition was founded, it was an idea. Now we're starting to emerge."

The coalition, which has 48 full-time clerical and professional employees and about 100 volunteer workers, raised \$4-

million in a fund drive this year. It hopes to raise between \$6-million and \$10-million next year, Mr. Wallen said.

A third of its income has been earmarked for Mayor Lindsay's summer program. But short-term racial peace is not the main objective of the New York Urban Coalition.

"I can't say we can take any credit for keeping the summer cool," Mr. Wallen said. "As a matter of fact, that isn't even our purpose.

"We hope to involve the private sector in some of the basic problems of preventing urban blight, and that's going to transcend the summer. It's a long-term, long-pull proposition."

Businessmen Are Urged to Join 'Frontal Assault' on Cities' Ills

Special to The New York Times

PHILADELPHIA, Dec. 4 — The nation's urban problems are too great to yield to "haphazard and limited solutions"; they require a "frontal assault that will not work without business participation," Andrew Heiskell, chairman of Time Inc., said in a speech tonight.

Businessmen, Mr. Heiskell said, must find ways to intensify their interest, broaden their perspectives and enlarge their commitment to the nation and its people.

Businessmen, he said, can no longer afford to be specialists.

"Our society, which is now largely urban," he declared, "will not continue to function if those of us in the private sector do not become public men as well."

Mr. Heiskell is chairman of Urban America, Inc., and co-

chairman of the Urban Coalition, an organization of business, labor, civic and civil rights leaders formed to help find solutions to the problems of the cities.

Mr. Heiskell was the speaker at an alumni dinner of the University of Pennsylvania's Wharton School of Finance and Commerce, held at the Bellevue-Stratford Hotel. He was awarded the Wharton Gold Medal, presented annually since 1950, for "personal contribution to the progress of American business."

Mr. Heiskell told the group that perhaps the single most important thing corporations could do was to encourage the young men who work for them "to find out about the problems of the community and to become as expert at some aspect" of them as they are at production or marketing processes.

The Urban Coalition

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