

ITEMS OF INTEREST RELATED TO HUD RAISED AT HEARINGS
OF RIBICOFF SUBCOMMITTEE ON EXECUTIVE REORGANIZATION

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BAYARD RUSTIN, Executive Director, A. Philip Randolph Institute

Mr. Rustin attributed recent manifestations of racial conflict to a national shortage of jobs, educational opportunities, and housing, which creates the fear that Negro advances will prove detrimental to whites. He urged the adoption of the proposed "freedom budget" so that scarcities in the fields of employment, housing, and education can be eliminated. An economic and sociological analysis of racial prejudice and alienation compels the conclusion that progress can be achieved only through a massive national commitment to the improvement of urban conditions. The main points raised in the testimony and the questioning period were the following:

1. The Effect of the Housing Shortage on Race Relations

Mr. Rustin stressed the importance of assuring all income groups effective access to the housing market. He pointed out that the existence of housing scarcities leads whites to support restrictive practices and forces Negroes to live in substandard housing.

2. The Failure of the Market Mechanism

Mr. Rustin supported the view of Professor Galbraith that social and esthetic values should have priority over financial considerations in urban development.

A. PHILIP RANDOLPH, President, A. Philip Randolph Institute

Mr. Randolph analyzed the problem of winning political support for the "freedom budget" approach to urban problems. He declared that a coalition of liberal elements could be formed with sufficient strength to win approval for the expenditure of \$185 billion of Federal funds over a period of ten years. The main points raised in the testimony and during the questioning period were the following:

1. The Effect of Federal Housing Policies

Mr. Randolph asserted that Federal programs have subsidized housing for persons in the middle and upper income groups to the neglect of the poor. The flight from the central city to suburbia has been made possible by Federal expenditures, while a much smaller amount has gone to provide the poor with high-rise segregated housing projects. Mr. Randolph noted that this conclusion was set forth in the report of the White House Conference on Civil Rights.

2. The Need for Planned Social Investment

Mr. Randolph advocated the adoption of a program of planning social investment in urban development rather than a counter subsidy for low-income housing.