

conomic change, economic progress, and when these communities are bypassed, they are unable to afford the same kinds of social institutions as other communities. So, that schools do not keep up with schools in the high-income communities; hospitals and other kinds of social institutions tend to degenerate.

So, that I believe that what we are witnessing today is a situation in which there are many sick rural communities in the United States, many communities that have been bypassed by the growth and progress that we have had and that, therefore, the problems of poverty not only are problems of the individuals, they are problems of communities and must be attacked as problems of these communities.

Now, I want to argue that it is difficult for people as individuals to emerge from this culture of poverty and I think there are a number of reasons why it is difficult. Consider for a moment our economic system and recognizing that we operate in a system which is characterized by the profit motive, which we all believe in, this motive assumes that people innovate, they will make change, that they will produce.

Furthermore, it is profitable to work with people who will innovate and who will produce. But what we find is that once people get into this poverty category, if they are unable to make adjustments because of capital restrictions, because of limited managerial ability, or for various other reasons, they may be forced into lower income positions. We see numerous examples of this in agriculture.

For example, grade A dairymen who could not afford to install pipeline milkers and bulk tanks were forced to go out of the grade A dairy business.

People who had small broader operations, who could not afford or did not have the managerial ability to handle large units to adopt mechanical methods of production were forced out of the broiler business.

This is the kind of system that we naturally expect; the kind of behavior we naturally expect in our system. It is the system which gives us such vast national production.

The point is that some people because of limitations, perhaps even beyond their control, get spun off into poverty categories.

I think that another aspect of our system that makes it difficult to emerge from the poverty category is our inclination to discourage the free flow of human resources.

We ought to view the cost of migration as an investment in increased productivity of the human resource; but migration is not generally encouraged in our society. On the contrary, there are many instances where the kinds of training that are provided for people and the job information which is disseminated to them through publically supported institutions are tempered by the fact that geographic mobility of human resources is discouraged.

So, we find it is difficult to emerge from this poverty category, once people get trapped in it.

Now, the remainder of my comments, I would like to direct more specifically to the poverty bill. Starting with title I, youth programs, I am convinced that the development of the human resources offers one of the best alternatives in coping with the poverty problem. Any major attack on low incomes must start with improved education