OVERWHELMINGLY CONCERNED WITH MONEY—FAILS TO RECOGNIZE IMPORTANCE OF PEOPLE, IDEAS, AND LEADERSHIP

H.R. 12341 proposes a startling new idea: wholesale subsidies. In the past, a Federal subsidy has been used as a means of selling a local government on doing the bidding of the Federal Government. But H.R. 12341 compounds the process, and offers a subsidy as a means of selling a local government a wholesale package of other subsidies under which it would do many things at the bidding of the Federal Government.

For example, consider the position of a community currently eligible for Federal urban renewal subsidies in the amount of 75 percent project costs—with 25 percent of the costs to come from local sources. Under the provisions of H.R. 12341 it would cut its local share of these costs to 5 percent (under the bill it would get extra, compound subsidies to the extent of 80 percent of its 25 percent local share, leaving it to pay only 5 percent), if it takes the entire package of all available Federal aids—presumably winding up with an array which might include aids for commercial fishing, and for aerial photographs.

This compound, wholesale subsidy approach presumes that money is the only sine qua non—that the dollar can do anything and that a lot of dollars can do everything.

But experience teaches that people, ideas, and leadership are even more important. The public must understand, want, and willingly support efforts for improvement. Ideas are constantly needed on newer and better and more efficient ways to solve problems. Leaders are needed to weld the diverse elements of metropolitan areas into cohesive forces for betterment.

People, ideas, and leadership are the real keys to greater progress. But H.R. 12341 fails to recognize these essentials—and instead piles subsidies on top of subsidies to create a system of compound, wholesale subsidies. In practice, it would subsidize subsidies.

In essence, this demonstration would only prove—that would demonstrate that only an unfair share of subsidies would buy certain amount of action. But what would it demonstrate to the cities not selected as demonstration cities? Would it stimulate them or take a local action—would it stimulate them to take local action or would they only be motivated to wait for Federal subsidies?

NO OBJECTIVE CRITERIA FOR SELECTION OF DEMONSTRATION CITIES—MONEY TO THE FEW AT THE EXPENSE OF THE MANY

H.R. 12341 fails to provides city selection criteria which admit of direct and objective measurement. Instead, the bill delivers up to the administration the critical decision on who shall get and who shall not get.

Instead of providing a yardstick by which all communities may judge and be judged, objectively, the bill gives Secretary of Housing and Urban Development the power to decide:

What shall be of "sufficient magnitude,"
What is "a substantial increase,"
What is "marked progress,"
What is "will contribute to a well-balanced city,"