

Neighborhood Youth Corps enrollees. Another would amend section 4(c) of the Small Business Act, in order to divide the single revolving fund provided for by the Small Business Act into three revolving funds—a business loan fund, a disaster loan fund, and a small business investment fund. This division of funds would be for the purpose of alleviating the disruption of SBA lending during times of disasters and would thus affect title IV of the “Economic Opportunity Act of 1964.”

Jobs are fundamental to the success of all opportunity programs. If increased overall employment does not provide sufficient jobs for the poor, it may be necessary to develop programs of direct employment in public and nonprofit institutions. The needs of the public sector provide an additional justification for interest in such a program.

There will obviously be some change in the conditions under which the program functions in 1970, since most changes in the general economic situation of the country would affect or alter the composition of the section of the poor with which OEO is concerned. The question of war or peace is also bound to have an impact on the nature of the antipoverty program, but the direction and magnitude of this factor is impossible to predict.

9. Economic effects

The 34 million poor people in the United States are not suffering extreme economic deprivation for one reason alone. The causes of poverty differ for different people and they are generally multiple, not single, as they affect any one person. The common denominator in the lives of the poor has been their lack of opportunity to get out of poverty on a permanent basis. This is what the war on poverty through all its programs is seeking to accomplish.

There are three fundamental types of programs which seek permanent solutions to poverty. The first relates to the creation of sufficient job opportunities and the skill training necessary to prepare the poor for these jobs. Without a decent job, the poor cannot hope to earn even a subsistence living. But to provide job assistance is not enough. People who have been poor and whose realistic expectation is that they will continue to be poor may not benefit from skill training alone.

The second type of program seeks to implement services on both an individual and community basis through which such crippling handicaps as poor environment, lack of education, neglected health, family breakdown may be overcome.

The third, providing income maintenance, goes to the heart of the problem for millions of the poor who, for a variety of reasons, may be permanently unemployable and therefore doomed to a bare subsistence level.

These programs are mutually reinforcing and attack the multiplicity of problems together. Thus, the father may be given training for employment and the wife counseling on household management while the children are taking advantage of Headstart or the Neighborhood Youth Corps, and the elderly are given support through increased income maintenance.