

ment and a community employment program under which local community action agencies will recruit unemployed poor to work in areas of local need such as health and education. If it proves necessary, we can extend both the list and the range of these projects.

Finally, there is a need for permanent jobs for the poor. In the past, the marginal gains for the disadvantaged have deteriorated rapidly after peace was restored. When the Korean war ended, the United States moved, between 1953 and 1954, from an unemployment rate of 2.9 percent to one of 5.6 percent and the number of poor people increased by 3 million. We must be prepared to prevent this reentry into poverty. In an employment situation, training will have a high payoff in permanent jobs. While the short-run effects of training are important, the long-run results are even more vital. Without such assistance, many poor persons employed in a tight labor market will obtain low skill jobs that evaporate if the economy loosens even slightly.

The Job Corps, Neighborhood Youth Corps, and work experience programs all help fill this need to prepare the poor for permanent jobs as well as better current jobs.¹ Short-term training, however, may not be enough. Job training is necessary but it is fruitful only if jobs are available for the trainees; this has not always been the case in the past. We must be prepared in several ways to perpetuate a favorable job situation for the poor. The most important of these ways is to use Federal fiscal policy to sustain a high level of aggregate demand. Beyond this, however, we must stand by with several other programs for employment of those in poverty who are not reached by high levels of overall employment. We must be prepared to expand substantially the CAP employment and Nelson amendment approaches and perhaps to put them together into a general large scale program for public employment. Not only the job needs of the poor could be helped by such a program but, as has so ably been pointed out by various groups, reaching many of the other goals of the Great Society would be much facilitated by programs for employment in the long-neglected public sector of our economy. Such employment programs might be used in the future to do such things as:

Enlarge the American school system's capacity to educate all citizens.

Add substantially to the capabilities of the American system of health care.

Improve the appearance of rural and urban America.

Prevent crime and delinquency by augmenting the capabilities of law enforcement agencies as well as by bringing people now poor into the mainstream of American life.

Wipe out many slum areas by rehousing poor people.

INDIVIDUAL AND COMMUNITY BETTERMENT

The effects of poverty, especially long-term poverty, are destructive. Bad education, inadequate health facilities, poor housing, racial and economic discrimination and lack of economic opportunity are common to those in poverty. These are the structural factors within the community which perpetuate the ominous cycle of poverty. Here

¹ Some samples of the kind of cost-benefit analysis being designed to evaluate and compare programs such as these are appended to this statement.