

Getting on with the job, the necessary step was to divide this defined poor population into subgroups. Here, one's first intuition about the groups to use is wrong. It's very tempting to use age groups—that is apparently the first impulse of anyone starting into the question. But age groups are not completely workable in terms of the above kinds of problems, and the kinds of programs with which we are trying to attack these problems. Youth—say ages 16–21—is a usable age group, because youth have separately definable problems and we have separately definable programs for these youth. The aged provide another quite distinct and separable group whose needs—primarily for money alone—are distinct from those of the rest of the poor population. Children provide a less tractable group. In part there are separable children's programs, in the education field and elsewhere, but difficulties arise because programs to approach children as children are not the only ones. Operationally, a major way to reach a poor child is through his family. And most families understandably have people in a variety of age groups. So families provide another category we must look at and one which is not neatly parallel to the others. And families ought to be further divided between those whose heads are in or should be in the labor force and those who are out or should be out; the problems and programs are quite different for the two categories. So we end up with a complex and overlapping set of categories—youth, aged, children, labor-force families, non-labor-force families. One really cannot divide the problems of poverty without looking at the programs designed to attack these problems, and we end up with a cross-classified matrix with objective groups on one axis and programs on the other.

Turning to our treatment of programs, what our summer analysis first did was to look at the whole range of existing government programs which might, without too much stretch of the imagination be called poverty programs. We estimated that the Federal Government was spending about \$20 billion in this, with state and local governments spending about \$10 billion more. The scope of OEO in the overall War on Poverty is indicated in part by the fact that this fiscal year we are disposing of only a billion and a half dollars. In any case what we should have done last summer was to attempt to re-allocate the entire \$20 billion of Federal expenditures for greatest effectiveness against poverty. The charge of our legislation is that the Director of OEO should coordinate all anti-poverty programs. Last summer, however, we did not attempt this overall re-allocation because we did not have time. Rather we tried to allocate our own OEO programs and suggested major *additions* to other anti-poverty programs, but made no recommendations for internal re-allocation. Currently, in our second planning cycle we are attempting the larger job.

To get a handle on programs then, we divided these programs into three functional groups according to the particular portion of the poverty problem that they were designed to attack. This division, a qualitative one, is the guts of our systems analysis. The three functional groups were *jobs*, *social programs* and *transfer payment* programs. These are three reinforcing categories—three legs on a stool—rather than being alternatives.

The importance of jobs is demonstrated definitionally. If opportunity is our primary objective then, in the American economy and American society as they exist, jobs are the name of the game. Opportunity means opportunity for self-support which in turn means the opportunity to work in a useful and gainful job at non-poverty wages. If there are not enough jobs (and there were not at the time this analysis was made, last summer, although this has drastically changed since) we need programs to correct this deficiency. Job programs are important both because they provide immediate concrete and symbolic results from the War on Poverty, but they are also vital to the long-run effectiveness of our remedies.

Second in order, although not particularly second in importance, come social programs. These are programs for basic individual and environmental change. We must realize that many of the poor do not have decent jobs because they are not capable of taking and holding decent jobs. Their individual education and training may be too low; their health may be too bad; family situations such as a large family headed by a female may make work difficult; families may be too large even for acceptable work to bring them above the poverty line; people cannot get jobs because of racial discrimination. Therefore in order to make job programs successful we must change the personal, family and environmental factors which make people and families unable to take jobs. These