In directly sponsoring a number of social services, educational, and remedial programs, and in restricting the Community Action groups almost exclusively to similar programs on the local level, the Office of Economic Opportunity has probably inadvertently fallen into the trap of seeking the elimination of poverty, primarily through a cluster of services and programs that impute to the poor, either diretcly or indirectly, the major blame of their impoverished condition. The major immediate beneficiaries of these programs have been non-poor persons who have been afforded the opportunity of executive, technical, and professional positions in the program. While there is certainly nothing wrong with this, per se, the almost exclusive reliance on the services approach has seriously compromised the Office of Economic Opportunity. In actual fact, there was no need in 1964 to enact an "Economic Opportunity Act." Legislation already existed which could have served to bring about all mapor improvements in the lot of the poor. One need only recall the Declaration of Policy in Section I of the Housing Act of 1937 which read as follows:

It is hereby declared to be the policy of the United States to promote the general welfare of the Nation by employing its funds and credit, as provided in this Act, to assist the several States and their political subdivisions to alleviate present and recurring unemployment and to remedy the unsafe and instanitary housing conditions and the acute shortage of low income, in urban and rural nonfarm areas, that are injurious to the health, safety, and moral of the citizens of the Nation.

In 1964, the same year that the Economic Opportunity Act was passed, another important decision with direct relevance to the question of poverty in the United States of America was made, namely, the decision to reduce federal taxes by twelve billion dollars. Some of the participants in the discussion that led up to this decision had vigorously argued that the government "surplus" share of the rapidly expanding gross national product should be used in ways to improve the social as well as the private economy. These voices did not prevail, with the consequence, as one commentator noted, that "a major government measure (an income tax cut) that cost twelve billion in terms of lost revenue channelled not a cent to those most in need of additional funds." Instead, "the tax cut, in addition to intensifying inequalities in income, resulted in a relative reduction of the means potentially available for the elimination of poverty and deprivation."

The first two years of the OEO program has produced a number of modest successes: in the expansion of social services, the creation of "new careers" for the poor, and in the increased involvement of the poor in community action planning and in policy. However, while these new innovations are important and efforts in these areas need to be expanded, these achievements represent only one aspect and perhaps not the major one, of a real war on poverty. None of these programmatic approaches, of themselves, substantially move the impoverished into the main stream of the American economic system. By and large, the poor are still circumscribed within certain limited labor force categories and even when employed are either underemployed or in dead-end jobs.

Unquestionably, there is a need for a major reorganization of the Office of Economic Opportunity and for substantial changes in its policies and program focus. Such changes, of whatever form, must be designed to enable the Office of Economic Opportunity to address itself to the following fundamental issues that are at the basis of the development of genuine economic opportunities for the poor.

(1) Substantial reduction of the unemployment rate among the poor. Any realistic and serious program for the eradication of poverty must have at its heart a plan for the achievement of at least the same rate of employment of the poor as that of the more affluent members of the society. What some economists have been labeling a full or high employment economy during the last several years has been an economy in which the poor, and particularly the non-white poor, have actually remained unemployed at rates approaching the depression level. Manpower training and re-training programs are futile in an economic situation in which no provisions are being made at the federal level to reduce the unemployment rate below the current four percent.

(2) This sponsorship and development of locally based, independent, commercial and community services enterprises can maximize the impact of federal moneys expended in anti-poverty, model cities and federally supported local projects.

(3) Non-stigmatizing income maintenance programs for persons incapable of work.