

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967 3429

KNIGHT & GLADIEUX, MANAGEMENT CONSULTANTS,
New York, N.Y., July 28, 1967.

Hon. CARL D. PERKINS,
Chairman, Committee on Education and Labor,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN PERKINS: Your telegram of July 21st requesting my views concerning amendments to the Economic Opportunity Act poses an exceedingly difficult and urgent issue, the resolution of which may be of central importance to the future viability of the program. The issue of whether more effective administration will be produced by abandoning the OEO as a leadership entity and dispersing its functions among HEW, Labor and other existing agencies is highly complex and not susceptible of facile decision. Nevertheless, a firm decision is critical at this time in order that the program may advance with confidence and dispatch.

The question of optimum structural arrangements for the anti-poverty program has been a matter of interest and observation on my part since enactment of the original legislation. I know the agencies involved and am close friends of many of the principal Federal officials concerned. However, most of my insights arise from associations with voluntary private agencies which are participating in the program. First of all, I am a member of the Board of Directors of the National Social Welfare Assembly, which played an active role in support of the original anti-poverty legislation and which maintains a continuing review of its policies and progress. Also, I was an incorporator and am still a member of the Board of Directors of Training Resources for Youth Incorporated, which is administering a vocational training and educational program for dropout youths in the Bedford-Stuyvesant area of New York City under a \$4.5 million grant financed by OEO, HEW and the Department of Labor. Finally, I am a Vice President of the YMCA of Greater New York, which participates in a number of OEO programs as a voluntary agency. All these associations have afforded me an appreciation of the need as well as the complexities of current efforts to reduce poverty.

There is no absolute or unequivocal solution to the problem of anti-poverty organization. Nevertheless, on balance, after careful consideration of the alternatives, I come to the conviction that it would be a mistake to eliminate OEO as the coordinating and directing center of this great effort. Let me say quickly that in the opinion of many qualified observers OEO has not been a model of administrative efficiency. OEO has lacked some of the conventional organizational and management practices which are the hallmark of a well-run agency, even though there has been evidence of tangible improvement in recent months. Furthermore, OEO has not always been effective in its coordinative role partly at least because of jurisdictional obstacles inherent in the huge Federal establishment. More important, however, is the fact that OEO attacked the problems of launching a massive program with vigor and imagination and must be given full credit for resourcefulness and a capacity for dramatizing this crucial effort.

In my judgment, there is clear and manifest need for a central planning, coordinating and energizing force in this necessarily diffuse program; and this to me is the overriding concern in reaching a decision as to the feasibility of complete operational dispersion. OEO now lends thrust, drive, focus and a point of overall surveillance to the program. Without such, the anti-poverty program would be in danger of dilution, fragmentation and wasteful competition for funds and clientele participation.

The fact that OEO does not have and cannot be accorded binding directive powers vis-a-vis the full spectrum of Federal policies and programs affecting poverty in no way lessens the requirement for an independent arm of the Executive Branch which is actively involved in a leadership role. It may well have to exercise its formal coordinating authorities with pragmatic restraint and discrimination. But I am confident this will produce a better overall result than the tenuous and detached role of the proposed Council of Economic Opportunity Advisers contemplated by H.R. 10682. Thus, as long as it is national policy to give special emphasis to this critical purpose, so long will it be necessary to have a strong central catalyst where needs, funds and programs are given an overall