

3430 ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967

perspective and where there is broad capacity to innovate, evaluate, monitor, and, when necessary, administer.

Furthermore, in addition to these administrative considerations, I fear the elimination of OEO would be regarded by the country generally and by the disadvantaged particularly as a manifestation of waning interest and threatened program reduction. OEO has legitimately and effectively served as the principal voice of the poor in the councils of government. Thus, a strong OEO is essential not only for reasons of concentrated emphasis toward a discrete objective but is also highly useful as the visible symbol of a great national uplift effort.

While I have no reservations concerning the essentiality of OEO in the immediate years ahead (time may well change this), it is an open question as to how far OEO should be operational in the sense that it conducts some programs through its own facilities and resources. It can be argued that such a center should not place itself in a competitive posture vis-a-vis other agencies and other programs, but should be cast primarily in the transcendent role of planning, policy, and exercising surveillance over the total effort. In my judgment, programs should be periodically spun off from OEO following a period of precedent operation and delegated to suitable executive agencies for administration.

But such delegation or assignment of functions and programs should be essentially in the discretion of OEO as to timing and extent and should be subject to its continuing oversight to assure conformity with basic anti-poverty policies and emphases. I am specifically opposed to the mandated assignments stipulated in the substitute bill sponsored by Congressmen Quie, Goodell and others.

In summary, the interaction and inherent substantive relationship between all components of the anti-poverty program make a central focus operating within the framework of the Executive Office of the President a prerequisite of good administration by bringing unity and coherence to the nation's strategy against poverty. I, therefore, urge that OEO be retained essentially in its current status under legislative amendments now being considered.

Sincerely yours,

BERNARD L. GLADIEUX.

JULY 24, 1967.

HON. CARL D. PERKINS,
*Chairman, Committee on Education and Labor,
House of Representatives.*

DEAR MR. CHAIRMAN: I wish to make known to you and to the Members of the Committee on Education and Labor my profound interest in reincorporating section 206(b) of the Economic Opportunity Act into the Economic Opportunity Amendments of 1967.

Section 206(b) authorizes the Director of the Office of Economic Opportunity to operate a small loan program for persons in low-income families, to meet immediate and urgent family needs. It allows the OEO to loan up to \$300 to individuals at a low interest rate of two per cent per annum.

This program is not a social welfare handout. Loans are expected to be repaid with interest, but on terms commensurate with a person's ability to make payments. I believe it is a program which protects the self-respect of the individual, yet allows him an avenue of relief in time of urgent need.

In early 1966, a transit strike occurred in New York City. The estimated daily business loss totaled \$100 million. Included in this figure were millions of dollars of lost wages to workers who could not work or get to work through no fault of their own. Businessmen affected by the strike found relief through such government agencies as the Small Business Administration. However, individuals of low-income with little savings and often faced with loan payments, had no means of obtaining loans to see them through this period of temporary unemployment.

Although serving as the initial impetus for this small loan legislation, this incident in New York represents only one type of situation which can plague low-income citizens. Natural disasters, civil disorders, and personal emergencies can disrupt their lives. I believe this emergency small loan program provides these citizens with a much needed avenue of assistance.