

APPENDIX III

SCHEDULE

Booklet will be picked up on _____ Interviewer _____ No. _____

CONFIDENTIAL

1. Head of Household _____ Date _____ Time _____

Address _____ County _____ Box No. _____

Work Experience and Training: Participant _____: Date Started _____

Applicant _____

Family (Household) Composition:

Name	Relation to Head	Sex	Age	Education (highest grade completed)
	Head	Male		[Participant: Before ☐ Now ☐

2. We'd like to know something about your relatives who are unemployed right now. Can you tell us how many of your brothers, sisters, or married sisters' husbands are unemployed right now? (Include retired without pension but not retired with pension.)

	Head of Household's	Wife's
Brothers		
Single Sisters		
Married sisters' husbands		

5. Now we would like to know something about how you think of the Work Experience and Training Program. If you were going to describe it to somebody who didn't know anything about it, what would you tell him, briefly?
(Record Verbatim.)

(Participants only)

As far as you are concerned, what are the main ways that you and your family have benefitted from the WE and T Program?

As far as you are concerned, what are the main ways that you or your family expect to benefit from the Program?

Anything else?

Now which of these statements comes about the closest to the way you feel about it?

- _____ a. The WE and T Program helps financially, but when it's finished, we won't be any better off than before.
- _____ b. There is some chance of getting a better job or a steadier one, because of the WE and T Program, but not too much.
- _____ c. There is a good chance that the WE and T Program will lead to a better or steadier job.

Why do you think this way? _____

6. Have any of your children ever attended any special summer school programs in the past two years? Yes _____ No _____

(If yes) Were these children who attended those who hadn't entered the first grade or those already in school or both?

Preschool _____ Those in School _____ Both _____

(If yes) When did they start?

Preschool _____ Those in School _____

What made you decide to send them? _____

7. Have you ever been a member of: (check, if yes)

a labor union? _____

PTA? _____

a lodge or any kind of social organization? _____

any other organization (s)? (specify) _____

8. Have you been visited by people from a government agency in the last year?

Yes _____ No _____

(If yes) Was it:

	<u>When?</u>
WE and T caseworker? _____	_____
any other welfare worker? _____	_____
community action worker? _____	_____
home demonstration agent? _____	_____
county agent? _____	_____
or who? _____	_____

9. Have you gone to see any government official or agency in the last year?
Yes _____ No _____

(If yes):

Government Official or Agency	Where	When

10. How far is it to _____ from here? Paved _____ mi.
(county seat) (miles) Unpaved _____ mi.
How do you usually get there?

_____ Own car

_____ Walk

_____ Can get a ride usually

_____ Other (specify) _____

How often do you go there for any reason?

_____ per _____
(number of times) (time period)

How often does your wife go to town for any reason?

_____ per _____
(number of times) (time period)

11. Where do you usually go shopping? (everything) _____
(town)

Where do you usually go grocery shopping? _____
(town)

Do you buy some of your groceries in supermarkets? Yes _____ No _____

(If yes) How much of your groceries would you say you bought in supermarkets?

_____ %

16. Some people try to help out friends or relatives who are not doing too well. Have you helped support or given any money to relatives or friends in the past six months?

Yes _____ No _____ How much? _____

17. Do ~~you~~^{your} children who go to school eat lunch there? Yes _____ No _____

(If yes) Do they have to pay for it? Yes _____ No _____

How much per day per child? \$ _____

Be sure that this is noted in record of expenses next month.

18. As you know, under the regulations of the Work Experience and Training Program, you can save up to \$1,000 for two-adult households and \$500 for one-adult households.

Do you have:

a checking account? Yes _____ No _____

a savings account? Yes _____ No _____

Are you saving money for any special purpose? Yes _____ No _____

(If yes) For what? _____

How much do you have in total savings? \$ _____

How much do you save in a month? \$ _____

19. We're interested in knowing what kinds of things you've bought lately.

Do you own a car? Yes _____ No _____

(If yes) Year _____ Make _____ Price _____

When did you buy it? _____

Did you cash or buy it on time? Cash _____ Time _____

(If on time) How much do you pay per month? \$ _____

About how much do you pay for gas and oil and repairs on the average per month? \$ _____

Do you have auto insurance? Yes _____ No _____

(If yes) How much do you pay for it? _____ per _____

20. Have you bought any furniture or appliances in the past year? Yes ____ No ____
(If yes) Itemize below.

Item	Date Purchased	Total Cost	Monthly Payments

Anything else on credit, encyclopedias, anything from a catalogue? Yes ____
No ____

(If yes) Itemize below.

Item	Date Purchased	Total Cost	Monthly Payments

What other monthly payments do you have to make then? None ____ (or list below)

Item	Date Purchased	Total Cost	Monthly Payments

21. Do you own or rent your house? Own _____ Rent _____

Would you tell us how much you pay for the following items each month?

Rent or mortgage payments	\$ _____
Insurance	\$ _____
Electricity	\$ _____
Water	\$ _____
Gas	\$ _____
Taxes	\$ _____
Other _____	\$ _____
Total housing cost per month	\$ _____

22. Have you done any repairs to your house in the past year? Itemize below.

What	Date	Cost

About how much on the average do you spend a month for such repairs and maintenance? \$ _____

23. Do you have any life insurance or burial insurance? Yes _____ No _____

(If yes) Fill in below.

Kind (term or endowment)	Value of Policy	Date Purchased	How much do you pay? \$ _____ per _____

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24. Do you buy food stamps? Yes _____ No _____

(If yes) How much do you pay per month? \$ _____ per _____
(cost) (value)

(If no) Can you buy them? Yes _____ No _____

(If no) Why not? _____

25. What is your total income per month? \$ _____

Where does it come from?

WE and T grant \$ _____

Earnings \$ _____

Social Security \$ _____

Farming \$ _____

Other (specify) \$ _____

\$ _____

Total \$ _____ (Should equal figure above.)

APPENDIX III -Continued

CONFIDENTIAL

Second Interview

Head of Household _____ Date _____ Time _____

Address _____ County _____ Box No. _____

WE and T: Participant _____ Date Started _____

Applicant _____ Interviewer _____ No. _____

We will go over the record of expenses and clarify any muddled points and probably use recall on anything not noted.

1. Did you buy anything on credit during the period you were keeping the record?

Item	Total Cost	If bought on time, payments per month

2. Did you raise any poultry, sheep, hogs, or cattle that you killed for your own use this past week? Yes ____ No ____ (If yes) How many (hogs, poultry, sheep or cattle) did you kill? How much did they weigh alive? How much of their feed did you buy?

	Number	Average Weight	Feed Purchased (% , weight or value)
Hogs			
Sheep or lambs			
Cattle			
Calves			
Chickens*			
Other			

*Note: If no weight estimate, note heavy or light breed and broilers and mature birds.

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3. Did you have a home vegetable garden? Yes _____ No _____

Did you freeze, can or preserve in some other way any of these vegetables?
Yes _____ No _____ (If yes) What vegetables? How much? How?

Commodity	Quantity	How Preserved

What vegetables did you grow in addition to these? _____, _____,
_____, _____, _____, _____, _____, _____,

4. Of the vegetables from the garden, did you eat any of them during the last week? Yes _____ No _____ (If yes)

Vegetables	When It Came In	How Long Did It Last	Times/Wk. Eat

In addition, did you raise any Irish potatoes or sweet potatoes? Yes _____
No _____ (If yes) About how many bushels or pounds?

Irish potatoes _____ (bushels or pounds)

Sweet potatoes _____ (bushels or pounds)

5. (If did not sell milk) Did you have a milk cow to produce milk for your family?
Yes _____ No _____ (If yes) How many days of the past week did your
cow actually supply your family with all the fresh milk it needed? _____ days
(% of time) How many quarts per day does your family use when it is avail-
able? _____ quarts
6. Do you have any hens producing eggs? Yes _____ No _____ (If yes)
About how many eggs did you get last week? _____ Did you eat them all?
Yes _____ No _____ (If no) How many did you eat? _____

Additional Questions

House: Do you own your home or rent your home or get it free? (circle one)
 (If own) When did you buy it? _____ How much land
 do you own? _____ acres. Tobacco base? _____ acres
 Are you still making payments on it? Yes _____ No _____
 (If yes) How much do you pay per month/year? \$ _____
 month/year How many more payments do you have to make?
 _____ How much would you have to pay for a house like this
 today? \$ _____ (Total indebtedness for house is
 \$ _____)
 (If rent) How much rent do you pay? \$ _____/month. Is
 any land included? Yes _____ No _____ Tobacco base? _____
 (If yes) How much would it cost just to rent the house, that is, without
 the land? _____
 (If free) What do you have to do in order to get this house rent-free?
 _____ Part of share agreement _____ Keep it up for somebody
 _____ or what? _____
 How much would you have to pay to rent this house if you weren't
 getting it free? \$ _____/month (only the house, not the farm-
 land)

Car: Are you still making payments on your car? Yes _____ No _____
 (If yes) How much per month or year? \$ _____/month/year. How
 many more payments do you have to make? _____ (Total
 indebtedness for car is \$ _____)

Especially applicants

What was your total income last month? that is October? \$ _____
 How many days _____ @what rate? \$ _____

Other Debts:

What other monthly payments or what other debts do you have?
 Include all debts, store debts, hospital bills, doctor bills, loans from
 loan companies and finance companies, money owed to relatives,
 anything you owe money on.

Item	When Purchased	Total Cost	Monthly Payments	Amount still owed or Payments to be made

Inventory of Consumer Durables

Finally, we'd like to know if you have any of the following items. (Place a check mark if they do)

Radio _____
 Television _____
 Phonograph or Stereo _____
 Refrigerator _____
 Washing Machine _____
 Deep Freeze _____
 Sewing Machine _____ Manuel or Electric _____

APPENDIX III—Continued

Name _____ Address _____

WE and T Applicant _____ To be picked up on _____
Participant _____

Dates kept _____ to _____ (one complete month)

INSTRUCTIONS FOR KEEPING THIS BOOKLET

Everytime you buy something, anything, please write down how much you spent for the item in the box next to the name on the item bought.

There are 19 main kinds of purchases in this booklet:

Dairy Products and Eggs
 Beer and Liquor
 Soft Drinks
 Canned Goods
 Bakery Goods
 Fresh Meat, Fish and Chicken
 Mixes, Prepared Foods
 Recreation
 Tobacco
 Clothing
 Soaps and Cleaning Supplies
 School Lunches
 Car Expenses
 Frozen Foods
 Snacks
 Medicine and Cosmetics
 Cooking Supplies
 Fresh Fruits and Vegetables
 Other Expenses

Under each of these main kinds of purchases, there are several possible items. For example, under Dairy Products there are milk, eggs, canned milk, ice cream, cheese and butter. If you buy some eggs, write down the amount spent in the box next to eggs.

If you buy something which is not listed under any main kind, just mark it down under what you think it should be.

The most important thing is to mark down every purchase—but only once.

Thank you.

James C. Dean, Department of Agricultural Economics, University of Kentucky, Lexington, Kentucky 40506

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Dairy Products and Eggs

Milk								
Eggs								
Canned Milk								
Ice Cream								
Cheese—all kinds								
Butter								
Other								

Beer and Liquor

Soft Drinks

Canned Goods—anything in a can

Meats								
Vegetables								
Fruits								
Baby Foods								
Juice								
Other								

Bakery Goods—ready to eat, not mixes

Bread								
Cake								
Other								

Meat, Fish and Chicken

<u>Hamburger</u>							
<u>Roast</u>							
<u>Steak</u>							
<u>Sowbelly</u>							
<u>Bacon</u>							
<u>Chops</u>							
<u>Ham</u>							
<u>Sausage</u>							
<u>Hot Dogs</u>							
<u>Fish</u>							
<u>Chicken</u>							
<u>Bologna</u>							
<u>Other</u>							

Mixes, Prepared Foods

<u>Cake, frosting & Cookie mixes</u>							
<u>Pizza</u>							
<u>Pot Pies</u>							
<u>T.V. Dinners</u>							
<u>Other</u>							

Recreation

<u>Movies</u>							
<u>Shows</u>							
<u>Fairs</u>							
<u>Other</u>							

Tobacco

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Clothing—anything for any family member

<u>Father</u>								
<u>Mother</u>								
<u>Children</u>								

Soaps and Cleaning Supplies

School Lunches—if paid for at school

Car Expense

<u>Gas</u>								
<u>Oil</u>								
<u>Repairs</u>								
<u>Other</u>								

Frozen Foods

<u>Vegetables</u>								
<u>Fruits</u>								
<u>Meats</u>								
<u>Juice</u>								
<u>Other</u>								

Snacks

<u>Candy</u>								
<u>Potato Chips</u>								
<u>Cookies</u>								
<u>Popcorn</u>								
<u>Other</u>								

Medicine and Cosmetics

Medicine and Drugs							
Toothpaste							
Shaving Supplies							
Ladies Cosmetics							
Other							

Cooking Supplies

Oleomargarine							
Lard							
Cooking Oil							
Salad Dressing							
Corn Meal							
Flour							
Sugar							
Salt							
Pepper							
Seasonings							
Other							

Fresh Vegetables and Fruits—list only purchased items, not from garden

Lettuce							
Potatoes							
Tomatoes							
Corn							
Beans							
Cabbage							
Cucumbers							
Carrots							
Bananas							
Others							

Other Kinds of Things Not Included on Any of the Other Pages

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BIOGRAPHICAL SKETCH

The author of this thesis was born in Chicago, Illinois, on December 29, 1940. He attended public and private elementary schools in Chicago, and Searcy, Arkansas, and graduated from Carl Schurz High School, Chicago, in January 1958. From September 1958 through June 1961, he attended Deep Springs College in Deep Springs, California. In September, 1961, he enrolled in Cornell University where he received a degree of Bachelor of Science with a major in Agricultural Economics in June 1963.

He entered the Peace Corps in September 1963. After four months of training at the University of Wisconsin—Milwaukee, and in Puerto Rico, he served as a Peace Corps Volunteer specializing in cooperatives in the Republic of Ecuador, South America, until August 1965. In September 1965, he was employed as a graduate assistant in the Department of Agricultural Economics, and enrolled in the Graduate School of University of Kentucky, pursuing a Master of Science Degree in Agriculture. In June 1967, he was appointed a Foreign Service Officer in the Department of State.

Chairman PERKINS. Also without objection, at this point shall be included a newspaper article from the Wall Street Journal of July 3, 1967 entitled "Cutting Relief Rolls—Administration, States Step Up Effort To Put Welfare Clients in Jobs."

(The newspaper article follows:)

[From the Wall Street Journal, July 3, 1967]

CUTTING RELIEF ROLLS—ADMINISTRATION, STATES STEP UP EFFORT TO PUT WELFARE CLIENTS IN JOBS

By Jonathan Spivak

JACKSON, Ky.—Ben Miller, a 50-year-old former coal miner, was all but illiterate until recently. But now, he proudly tells a visitor, he can "sit down and write a letter."

Along with thousands of other jobless, able-bodied adults in remote regions of Appalachia, Mr. Miller lives on public welfare; he receives a \$245 monthly grant for his family of nine. But unlike many relief recipients elsewhere, his life is far from idle and aimless.

Four days a week, he labors with shovel and wheelbarrow to help widen a dirt and rock road winding into a picturesque hollow, so 22 children living there can get to school more easily. One day a week he struggles to master the three R's in a barren one-room adult education center nearby, decorated only with a picture of Lyndon Johnson and a calendar from the Breathitt County Funeral Home.

"HELPING THE NEIGHBORS"

For Mr. Miller, this unusual, Federally supported welfare rehabilitation program, operating in 19 Kentucky counties, provides sustenance, self-respect and at least the prospect of future employment. Says he: "It puts food on the table for the kids. And this way we are helping the neighbors." For 2,500 other eastern Kentuckians, the endeavor has already meant deliverance from the dole; their training has led to full-time jobs as carpenters' helpers, school janitors, draftsmen, factory workers and the like.

Kentucky's crusade, it should be noted, has not cut the relief rolls enough to stem the state's rising welfare costs, which now total about \$100 million a year. Nationally, public relief spending has also kept climbing—from a Federal-state-local total of \$4.3 billion as recently as 1961 to \$6.5 billion last year. Among the reasons: More liberal monthly payments; the extension of eligibility to growing numbers of needy families; the decrease in job opportunities for the unskilled.

But many welfare specialists insist that work-training programs offer a long-term solution to the painful cost problem. The aim is to make the nation's public assistance programs a pathway to independence for the poor; now, critics contend, the relief system subsidizes and even perpetuates poverty.

PROMISING EFFORTS

Admittedly, many of the nation's 7.6 million welfare recipients have little hope for self-support—because of advanced age, disability or child-caring responsibilities. But Federal officials estimate that several hundred thousand could benefit from work-training programs. As evidence, they point to such promising efforts as these:

New York City's Port Authority prepares mothers on welfare for office or clerical work; one-quarter of a recent class of 108 graduates received two or more job offers, and 86 are working.

The Clatsop County Community College in Astoria, Ore., tests and trains local welfare recipients for gainful employment. Within two years, the county's welfare caseload decreased 17%, though elsewhere in the state welfare rolls increased.

In the past two years, 970 of a group of 1,145 relief recipients in St. Paul, Minn., were trained and placed in full-time jobs. Their earnings averaged twice as much as their previous public assistance grants.

In Cleveland's Hough slum, more than 400 mothers on welfare were given special permission to supplement their meager monthly checks with outside earnings; half gained full-time employment and left the relief rolls.

Some other cost-savings endeavors, even more experimental, take a different route. In Chicago, the Cook County welfare agency is seeking to reunite 300 deserting fathers with their families; so far, 35 couples have been reconciled, and 10 child-bearing unions legalized. In instances where the fathers earn enough, the families will go off welfare.

CREATING INCENTIVES

Local successes are spurring Washington's interest in rehabilitation possibilities. Many lawmakers, conservatives and liberals alike, favor expanding welfare training programs and introducing economic incentives for employment of relief recipients. The Johnson Administration has proposed legislation to establish at least one rehabilitation project in every state and let the beneficiaries retain up to \$50 a month of outside earnings without a reduction in their relief checks.

The influential House Ways and Means Committee, which is now considering these and other welfare proposals, is sympathetic. But the big obstacle is expense. Effective rehabilitation reforms require an immediate increase in spending—for training, extra family services and other aid—to achieve the hoped-for ultimate savings.

Relief rehabilitation efforts started in 1962 with Federal welfare law amendments authorizing work-training projects; since then, the antipoverty program has provided more liberal Federal support. In all, welfare experts estimate, about 130,000 relief recipients are now getting such aid, and 60,000 have gained full-time jobs as a result of training. But it's difficult to determine whether rehabilitation efforts or improved economic conditions were really responsible for putting so many welfare clients to work.

Certainly there are persistent problems: Welfare clients often need extensive aid to become self-supporting. Many are illiterate, beset by emotional problems and handicapped by police records or alcoholism. Suitable jobs may be unavailable. Some jobs may be controlled by unsympathetic unions. Employers often shy away from hiring relievers because of notions about their shiftlessness and irresponsibility. Job-placement efforts by U.S. Employment Service offices frequently ignore welfare clients.

Shortages of skilled case workers, job counselors and other professional personnel hamper the development of effective training programs. The lack of adequate day-care facilities for children of working mothers is a major obstacle. Many of the 900,000 women heading families on relief want to work, it's said, but can't free themselves from their offspring. (Sens. Javits and Kennedy of New York are sponsoring legislation to provide \$60 million for day-care centers, and the Federal Welfare Administration intends to substantially increase its support for a sort of baby-sitting service in the slums.)

Furthermore, certain features of the relief system discourage efforts toward self-sufficiency. A prime example: Local welfare agencies usually deduct any earned amounts from recipients' grants. (But job-training incentives occasionally give welfare clients unintended windfalls. Until Federal officials clarified the rules, some relief recipients in northern New York State were making as much as \$800 a month by retaining their regular welfare grants along with their work payments.)

TROOPING TO WASHINGTON

Now bureaucratic battles in Washington threaten added complications. The Administration has proposed shifting control of most aspects of relief work-training programs from the Federal welfare agency to the Labor Department, in order to permit merger with other manpower projects. Local welfare leaders are trooping to Washington to support their parent organization; they claim that before taking jobs, relief recipients need prolonged preparation by case workers. Labor officials ridicule low job-placement rates in welfare projects—only about 30% compared with 70% in many Labor Department projects and propose to provide more skilled job training.

Some officials fear the fracas will lead only to continued wrangling and the dismantling of successful local training projects. "I think welfare training programs would be better off in the Post Office," protests one disgruntled combatant.

For more insight into progress and problems in welfare work training, look at Kentucky, which operates one of the nation's largest programs. In this state, 3,500 unemployed fathers are now participating at an annual cost of \$12.5 million. About 90% of the men cannot read and write at a fifth-grade level, and almost half are entirely illiterate. Thus, extensive basic education must precede any serious effort to train the men for new job skills. But, after years in the coal mines, many are too old and exhausted for steady schooling.

"Labor would be better for me, for a man my age," contends Chad Haddis, a 55-year-old ex-miner who would rather be working than attending the special training class he is taking to learn the rudiments of job-seeking and holding. He is taught how to fill out a tax form, apply for a driver's license and other such simple assignments.

More advanced courses are also offered. At the Breathitt-Sloniker High School here in Jackson, some relief recipients report nightly for training as draftsmen, auto mechanics and electricians. These men must possess at least an eight-grade education and enough motivation to stick with a year-long course.

SEEKING SECURITY

Surrounded by disassembled automobile engines, one of these trainees, 39-year-old Carter Miller, explains that he lost his job as a filling-station attendant three months ago. As a mechanic, he hopes to gain greater security and more money for his wife and six children.

In the next room, Clarence Wooton, a drafting instructor, boasts of the success of his last class. "Thirteen of the fifteen are working in the trade," he says.

But most of Kentucky's welfare manpower, rather than preparing for such jobs, is simply doing unskilled labor on public projects—planting trees, repairing roads, building sidewalks and bridges, maintaining recreation facilities and the like. The work is arduous manual labor. Under the hot summer sun, Ben Miller and his co-workers hack away with shovels at a hillside, progressing only a few feet a day; with earth-moving equipment, miles of road could be constructed daily.

Many critics scoff at Kentucky's program as meaningless make-work, a resurrection of the WPA of depression days. But state welfare officials disagree. "These people are in their forties and fifties. A lot never held a job, and a lot have many characteristics which prevent them from holding a job," says C. Leslie Dawson, state Commissioner of Economic Security. "Many will have to be on public programs for a long time. But their children get the services of welfare workers, continue to stay in school and from outside influences receive a different idea of what life is all about."

Furthermore, it's argued, Kentucky's poor learn to follow instructions and take responsibility. Some are selected to serve as crew chiefs, and others are forced to measure up or lose their welfare work payments, which average \$205 a month—almost double regular assistance grants. "The biggest thing they learn is to work together and take orders," says Frank Davidson, a work-training supervisor.

CLEVELAND OPENS DAY-CARE CENTER

For a contrast with rural Kentucky, visit welfare officials in Cleveland, who wrestle with work-training problems in the urban slums. The big need, they insist, is for more day-care facilities to accommodate the children of mothers on welfare who seek education and jobs. Cuyahoga County Welfare Director Eugene Burns says hundreds of women could benefit if adequate facilities were available. So far his agency has established seven day-care centers, each accommodating 15 children, in slum churches; five more centers will open soon. The benefits can be easily observed.

At the Antioch Baptist Church, welfare youngsters gobble a noon meal of baked beans, juice, salad and tapioca pudding. Mrs. Corrine Ector, the director, tries to improve manners. "It's the best thing in the world for them. They were definitely not getting the training in the home, even when the mother was there," she maintains.

Cuyahoga County welfare officials say they are finding full-time jobs for 45 welfare recipients a month at wages that often far exceed their relief checks. The keys to success, it's said, are patience, personal attention to individual cases and lots of job preparation.

Of the 13 employees of the city of Cleveland's printing and reproduction division, three are former welfare recipients. Other ex-reliefers serve as maintenance men for the municipal power and light operation and perform sanitation work for the health department. Others are employed in private industry at salaries ranging up to \$8,000 annually. "I've been in this business for 10 years, and guys I never thought would amount to anything are off relief," declares Carl Riccardo, who helps place the welfare recipients.

Chairman PERKINS. I have a letter from the Ortho-Vent Shoe Company and I ask permission to insert it in the record after we hear the next witness.

I have another letter from the State of Kansas, State Technical Assistance Division, a progress report, and I will ask permission to have this inserted in the record.

Mr. QUIE. I also have a statement from the Ortho-Vent Shoe Company which I would like to have placed in the record.

Chairman PERKINS. Without objection that statement will also be placed in the record.

I would like to have permission to insert in the record a telegram from Grace Brown.

I also have a telegram from the OIC National Conference. Unless there is objection this will be inserted in the record.

I have a letter from the Astoria Corporation signed by R. H. Carter. Unless there is objection I will ask the committee to insert that in the record.

Mr. QUIE. I would like to make the same request on this.

Chairman PERKINS. Without objection, it is so ordered. You have permission to get all of them together and place them in the record.

(The communications referred to follow:)

STATE OF KANSAS,
STATE TECHNICAL ASSISTANCE PROGRAM,
Topeka, Kans., July 24, 1967.

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

DEAR CONGRESSMAN PERKINS: Enclosed is a summary-progress report of the activities of our office for the first six months of operation.

I think the report might be of interest to you and to your committee.

Sincerely yours,

ROBERT C. HARDER, TH. D.,
Coordinator.

STATE TECHNICAL ASSISTANCE OFFICE PROGRESS REPORT PURPOSE AND ORGANIZATIONAL STRUCTURE

The State Technical Assistance Office operates within the framework of the Office of the Governor and is an integral part of the Executive Department of the state, designed to "establish procedures which will facilitate effective participation of the states in community action programs including, but not limited to, consultation with appropriate state agencies on the development, conduct, and administration of such programs."

The present staff of the Kansas State Technical Assistance Office is composed of five members, including the coordinator who is in charge of the entire operation. The remainder of the staff is composed of an office manager, program developer, field representative and secretary.

ACCOMPLISHMENTS AND PROGRAM STRUCTURE

I. Office of Economic Opportunity

In providing technical assistance from January, 1967 through June, 1967, this office has been instrumental in coordinating federal and state agencies.

The Coordinator is Technical Advisor to the Governor in the area of health, welfare, and civil rights. This office initiated the discussions leading to joint memorandums of cooperation between the Department of Public Instruction and Community Action; and the Department of Social Welfare and Community Action.

The coordinator, as Chairman of the State Cooperative Area Manpower Committee, and the program developer, as secretary to the committee, have taken the lead in formulating the state plan for the Cooperative Area Manpower Plan (C.A.M.P.S.) for 1968. They have acted as liaison between agencies and provided assistance to the designated CAMPS area in the assimilation and presentation of the final draft. The purpose of the Cooperative Area Manpower Plan is to integrate the planning activities of the several participating agencies (those agencies which are funded for training) into a master plan in order to meet the needs of the community's underprivileged and disadvantaged citizens without duplication of services. This will provide the maximum amount of specialized services, testing,

job orientation, training, and/or retraining, and job placement activities on the most efficient and economical basis to assist these citizens to become employable and thus, self-sustaining members of the state work force.

Meetings have been held periodically with the Community Action Program Directors over the state to offer guidance and to disseminate information.

On-site visits have been made to the Community Action Agencies to give technical assistance and support.

Training for the Community Action Boards has been conducted upon invitation.

The field representative and the rural development specialist of Farmers Home Administration have made visits to various communities in the state to inform them of funds for housing.

Visits have been made to an Indian Reservation and to Migrant Camps to establish better relations and to provide assistance in problem areas.

On-site visits have been made to Head Start Programs throughout the state.

Visits have been made to various communities who are interested in the development of community action programs.

Talks have been made to various civic, religious, and educational groups.

The office has developed film catalogues and other informational aids for Community Action Agencies.

The coordinator, or representative of the office, has attended meetings with the Technical Assistance Coordinators from Region VI, (Kansas, Colorado, Idaho, Iowa, Missouri, Montana, Nebraska, North Dakota, South Dakota, Utah, and Wyoming). The staff has attended meetings at the Regional Office in Kansas City, Missouri.

III. Health and welfare—Liaison activity

The coordinator serves as the Governor's representative to the State Board of Health and to the State Board of Social Welfare. He is in a position to articulate the basic philosophy of the Office of Economic Opportunity in conjunction with the goals and purposes of the state. The coordinator regularly attends the monthly meetings of the State Board of Health and the State Board of Social Welfare. At these meetings he enters into board discussions so he is in a position to make recommendations and suggestions as to programs in the State of Kansas.

III. Legislative program

The coordinator has been active in the formulation of legislation pertaining to the poor and to the needy. He has had specific responsibility for legislation in the area of health, education, welfare, and civil rights. In this position, he has helped to get Medicaid legislation enacted; he has helped in securing legislation setting up a comprehensive health planning agency; and he has helped in bringing about some basic changes in the welfare law so that the coverage is more liberal for the recipients.

The Technical Assistance Office helped in securing broader coverage in the Kansas Act against discrimination. The office has also done the background work in the development of a code of fair practices of employment in the State of Kansas. The coordinator helped in the securing of increased aid to elementary and secondary education in Kansas which will provide direct benefits to the educational system within the state.

IV. Trouble-shooting

The coordinator acts in the capacity of trouble-shooter for the Governor. As a trouble-shooter, he is in a position to give immediate and first-hand attention to various health and welfare problems that arise throughout the state. In this capacity, he is in a position to humanize state government. He is able to express the concern of the Office of the Governor and of the state in particular problems such as labor disputes, health matters, or disaster relief.

CONCLUSION

It is evident that this office does not operate in a vacuum. It is our feeling that for this office to be effective, it must be involved in as many of the various governmental activities taking place at the state level as possible. In this way, we are hopeful that we can promote ideas which are beneficial to all state agencies and which give special attention to some of the problems related to the poor and to the needy. This office is also concerned that we be in a position to articulate the Office of Economic Opportunity concept of innovation, coordination, and communication throughout the various departments and divisions of state government.

[Telegram]

LYNDHURST, OHIO, July 26, 1967.

HON. CARL PERKINS,
Education and Labor Committee,
House of Representatives, Washington, D.C.:

Please give the Job Corps a chance to function creatively and keep up the good work that has been started. People are important and the best investment in the world in terms of the future of our country.

GRACE BROWN.

[Telegram]

PHILADELPHIA, PA., July 28, 1967.

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

I have been following the results of the deliberations hearings dealing with the poverty program closely and although I was unable to accept your invitation to participate in the actual proceedings due to a previous engagement that took me out of the country I feel compelled to make my opinions known.

As founder of the Opportunities Industrial Center manpower movement and as chairman of the OIC National Conference which represents OIS units in more than 60 cities across America with thousands and thousands of manpower trainees in OIC schools and installations I wish to go on record as being clearly in support of the work of the office of economic opportunity and to defend without qualifications the importance and the necessity for this independent agency within the Federal Government which speaks for the needs of the American poor and which serves to energize other departments in the Government toward more significant efforts on behalf of the poor. As one who is working intimately and closely with the problem, there is no question in my mind but that the continued existence of OEO is essential to the successful prosecution of the work of the Nation in dealing with problems of poverty.

Unquestionably the creative initiating and demonstrated capacity of this agency is indispensable for this cause. Further it will be a tragedy to take from OEO jurisdiction programs initiated and promoted by that agency and even should this be done in any particular instance close coordination and maintenance of cooperatives OEO direction must be insured to preserve the spirit and prior intent of those programs involved. Finally, current disturbances are evidence of need of more OEO programs and more public fund support for OEO methods rather than cutbacks particularly in crucial areas of education and manpower training. For in the alleviation of poverty, the need for education and jobs is the key. I urge your committee, therefore, to overlook and to forgo any partisan political considerations in this matter and to support the OEO statute as has been proposed. Please, please do not cut it back for funds. Let it go. The value of OEO is clear to me conclusively and personally for had there been no OEO then O.I.C. could not have survived.

REV. LEON SULLIVAN
Chairman, O.I.C. National Council.

Chairman PERKINS. Our next witness is Mr. Cabell Brand, President, Ortho-Vent Shoe Co., Inc., Salem, Va.

Unless there is objection, your prepared statement will be inserted in the record. You may proceed in any way you choose. If you can shorten your testimony we would certainly appreciate it.

Mr. BRAND. If you put my statement in the record I am here at your request and I am at your disposal.

Chairman PERKINS. I would appreciate a summary. Your statement is in the record.

STATEMENT OF CABELL BRAND, PRESIDENT, ORTHO-VENT SHOE CO., INC., SALEM, VA.

Mr. BRAND. I am a businessman from the southwestern part of Virginia and in addition to my business activities on a volunteer basis I

am president of the local poverty organization which serves the area outlined on this map.

There are four counties, one metropolitan area covering about 258,000 people.

About 2 years ago we established a no-profit corporation with a high amount of business participation and business leadership.

Chairman PERKINS. You are down next to me.

Mr. BRAND. Yes, sir. We have had programs going for about 2 years and we published an annual report which is attached to my statement and which I furnished to the committees with 50 copies and if it is appropriate it could be inserted in the record and I would be happy to answer any question you have on that.

Chairman PERKINS. Without objection it will be inserted in the record.

Mr. BRAND. To summarize my basic point, as a result of my 2 years' experience in working with a local community action organization, I am convinced that the Economic Opportunity Act is a good bill, that it is a good business investment, that it will pay for itself in the investment of people and if possible the program should be expanded.

As far as the issue of the role of the central office of Economic Opportunity, as I say in my statement, I am firmly opposed to the dismantling of OEO and distributing antipoverty programs into other agencies of the Government.

In saying this I am not criticizing the other agencies because each with its specialty has been most helpful but the responsibility of OEO is the poor people of this country. Our local community action program is stronger because of the involvement and the participation of the poor in all of our activities and the poor are encouraged to participate because they are beginning to find out they have a voice locally and they have a voice in Washington through a Central Agency which is their representation exclusively.

I have in my statement, Mr. Chairman, three constructive suggestions for changing the Economic Opportunity bill.

Chairman PERKINS. Give us those suggestions.

Mr. BRAND. The first would be to improve the communication with the people of the United States to let them know what the antipoverty program is all about. Most people don't understand it. They think it is a Washington program when actually it is a local program.

If a local Community Action organization is not formed, if it does not identify local needs, there is no program, and if local people are not involved there is no program. The Economic Opportunity Act gives people an opportunity to develop their own programs but this is not understood by the American people. There is a misconception about handouts because in this program as you know there are no handouts.

The second suggestion that I have is that the information and evaluation techniques and procedures must be expanded. The amount of money we are spending now for the antipoverty program is only a small amount of what will have to be spent later in one form or another when our resources are greater.

We must know accurately what we are doing right and what we are doing wrong. This is another reason for central OEO, but more independent evaluation must be made at the national and the local level.

The third point is that I feel that administrative procedures and systems in OEO must be strengthened. Both stability and time will help here but certainly encouragement from you will accelerate it.

The summary to my statement, just as it says, does sum up my position and I will read that.

The part of the antipoverty program is the local Community Action organization which develops local programs for local people run by local citizens. In simple business terms, the local Community Action organizations need to report to a specialized Federal agency from whom it receives its funds which will guide it, instruct it and help the less knowledgeable workers coordinate all of the various programs available to it.

We must work together to solve the problem of poverty which is one of the major problems facing the world today.

At this particular time when riots, unrest, high unemployment among the disadvantaged, high dropout rates are before us in glaring headlines, we should do nothing to weaken the forces at work in this country. We must strengthen them.

Chairman PERKINS. I agree with that statement. I have one question: I would like to ask you whether you feel that the programs that are under the direction of OEO at the present time should be spun off or should remain as is?

Mr. BRAND. I think OEO should be strengthened to keep all of the programs that they have and I think they should continue to administer the programs they have.

Chairman PERKINS. Do you feel that the local Community Action agencies functioning now under OEO are effectively reaching the poor?

Mr. BRAND. I think we are beginning. I think we have made great strides in 2 years but there are worlds of things that need to be done.

Chairman PERKINS. If we transferred these functions back to the traditional programs would this be done?

Mr. BRAND. I think Head Start needs to be with OEO at the present time. The Office of Education had opportunity for a hundred years to develop programs like this and they are not oriented from my view to do the type of education that Head Start is. Head Start is only partially an education program. The in-home work that is necessary to do to bring this child up to—

Chairman PERKINS. I must say I agree wholeheartedly with you and I intend to let you argue now with my colleague, Mr. Quie.

Mr. BRAND. Mr. Perkins, I have one comment before you leave. I heard your previous questions about basic education and I think you might be interested to know in our area 18 months ago there was no basic education available to any adult in that area. In other words, if there were an adult beyond the public school age and he could not read or write there was no opportunity for him to go to school to learn to read and write, there was no program. If he had a third grade reading level there was no opportunity for him to secure basic education to get to the seventh grade level. Yet all of the vocational training programs that were available in the area required a seventh grade reading level. So in effect until this type of program started this adult did not have a chance.

Chairman PERKINS. Has it redounded to the benefit down there and has it been wisely utilized and has it demonstrated its benefit throughout southwest Virginia?

Mr. BRAND. Yes, sir, it certainly has.

Mr. QUIE. It is my understanding that you are on the Business Advisory Committee.

Mr. BRAND. I was just appointed a few weeks ago. I was not on it last year.

Mr. QUIE. How long have you been on it?

Mr. BRAND. Two months.

Mr. QUIE. Have you been to any meetings?

Mr. BRAND. I have been to one meeting.

Mr. QUIE. What is your relationship then directly with the CAP program? I imagine that is the only relationship you had with the poverty program prior to being on the Directors Advisory Committee?

Mr. BRAND. Yes, I am president, which is really chairman of the volunteer program of the TAP program. I was asked by Mr. Shriver to serve on the leadership Advisory Council. Why I was elected I do not know.

Mr. QUIE. Which programs have you been involved in in developing your TAP program? I notice you have quite a few of them.

Mr. BRAND. The annual report, a copy of which is attached to my statement, if you would just like to thumb through it, we have an OIC training school. We have Head Start for three years. We have day care schools. We have Neighborhood Youth Corps programs. We have a Neighborhood Development program. We have a Credit Union program. We have a Legal Aid Society. We have a Half-Way House. We have a Home Maker Service, and so on.

Mr. QUIE. Were these directly operated by TAP?

Mr. BRAND. Yes. We don't do anything that we can avoid doing. For example, in Head Start the money comes to TAP but with our central staff we subcontract this to the four respective school systems involved which is one of the big advantages of the Community Action program. As I mentioned in my statement, there is a Bedford County School Board, a Rockbridge, a Botetourt County School Board and the Roanoke and Roanoke Valley School Boards—five school districts involved in our area—but the Head Start program is funded through TAP and we subcontract to the respective school systems which administer and handles its own work.

Mr. QUIE. Are any of the other programs subcontracted?

Mr. BRAND. Yes, sir. The Legal Aid Society is run by the Roanoke City Bar. They have a city corporation with a majority of lawyers on the board of directors and this project is turned over to them.

In our efforts, Mr. Quie, we do not do anything that any other group is doing and almost every organization in the area is involved in coordinating our Community Action program so that we have avoided duplication and we have tried to concentrate on the things that were not being done before we came into existence.

Mr. QUIE. What programs are you operating directly that you have not done by subcontracting?

Mr. BRAND. The day care program, the Neighborhood Youth Corps programs, but even there we do not set up our own work projects. We will delegate to the town of Salem, for example, a certain number of

young people who will work for them. They will supervise the work; we will administer the program.

Mr. QUIE. In your Opportunity Industrialization Center, how did you get that started? Did the Board itself go out and organize it, that is the TAP Board?

Mr. BRAND. We initiated it and then the OIC office from Philadelphia, the Central Board, Reverend Sullivan Missionaries were interested and came to the area. We had a need for a vocational training facility and the initiative came from the TAP Board but it was in response to a community request and a community need. We were one of the eight cities funded with an OIC school.

Mr. QUIE. How is the OIC funded? Where does the money come from?

Mr. BRAND. From Labor, HEW and OEO. I don't know the percent breakdown of the three sources.

Mr. QUIE. Is there any local money?

Mr. BRAND. Yes, sir, the normal share, the major part of which came this year from the physical facility which was provided by the City of Roanoke which is an interesting story. We did not have a physical facility so we took the bottom portion of Victory Stadium, a football field, where we had some nearly 30,000 square feet, the City remodeled this and made into a school. So we took unused space and put it into use as a vocational training school.

Mr. QUIE. Has the business community put any dollars in OIC?

Mr. BRAND. Almost all of the in-kind consideration that has come in our local TAP area has come from business. We have received almost no money from the Governments involved. The way the business has been done it has been not in cash but in giving us facilities and equipment.

For example, the TAP headquarters itself is in an old building plus a new building which is owned by the Bank of Virginia and which was lent to us on a rent-free basis.

Mr. QUIE. How about the poor people themselves? Have they contributed any cash to the program?

Mr. BRAND. A little bit in the OIC program but nothing significant.

Mr. QUIE. About how much?

Mr. BRAND. I don't know, but they have a policy in the OIC which incidentally is also a separate board of directors under the OIC board of directors and they have a policy of trying to accumulate a small savings program, nickels and dimes from the poor. They have had this campaign and it is a few thousand dollars.

Mr. QUIE. I think they accumulated \$105,000 in Philadelphia when they started.

Mr. BRAND. I know, and on a share basis that might be equal to our 258,000 population area.

Mr. QUIE. Would you supply for the record the amount of money the poor people contributed?

Mr. BRAND. I will be glad to.

Mr. QUIE. Who serves on the board of directors of OIC?

Mr. BRAND. Business is well represented, the poor are well represented, educators are represented. I will be glad to supply that for the record.

Mr. QUIE. Would you supply that for the record and indicate whom each one represents and how they are selected?

How many people are on this board of directors of TAP? Do you know the number or do I have to count them?

Mr. BRAND. Thirty-five. It has been expanded two or three times. I think it is approximately 35 members on the board.

Mr. QUIE. It says at the bottom over one-third of the board of directors directly represent the people serving on TAP programs. How many, exactly?

Mr. BRAND. At least one-third.

Mr. QUIE. It says over one-third. Do you know how far that is over?

Mr. BRAND. One over, I believe.

Mr. QUIE. How are the representatives of the poor selected?

Mr. BRAND. The representatives of the poor are selected by the neighborhood organizations of each. In other words, a neighborhood which is poor is defined and this neighborhood selects its own representatives.

Mr. QUIE. How many neighborhoods do you have?

Mr. BRAND. I will be glad to let you know that, too.

Mr. QUIE. Also how many are selected from each neighborhood.

Mr. BRAND. One representative from each neighborhood.

Mr. QUIE. This then would indicate you have—

Mr. BRAND. Twelve or 14 neighborhoods but I can give you the precise number.

Mr. QUIE. Do you have neighborhoods in the rural areas?

Mr. BRAND. We divide it that way. It is a large area, sparsely populated. For example, Botetourt County with its population distribution is one area.

Mr. QUIE. Indicate how each of these people was selected in the neighborhoods of the Center or in the City and how they were selected in the rural area.

Whom do the other people on the Board represent?

Mr. BRAND. The municipal and city governments are represented.

Mr. QUIE. Each of the municipal governments select a person to represent them?

Mr. BRAND. Initially they did but the successors to the board of directors are elected by the board so we do not have to go back to the City of Roanoke and say elect a new one when his term expires.

Mr. QUIE. Do you mean the board members elected the board members?

Mr. BRAND. Yes, sir.

Mr. QUIE. It is sort of self-perpetuating?

Mr. BRAND. Except the charter prohibits that because you can't serve but two terms.

Mr. QUIE. But they can select who succeeds the other side. How long is the term?

Mr. BRAND. One year.

Mr. QUIE. So the Board can decide who comes on it?

Mr. BRAND. Would you like to have a copy of that charter?

Mr. QUIE. That would be good.

Mr. BRAND. It is a very good charter. I will include that.

Mr. QUIE. Could you also indicate who is to be represented? You might want to do that for the record. You say that the Government is represented. That means that you would elect somebody from the Government, I would assume.

Mr. BRAND. That is right. For example, the City Manager is on the board The Bar Association is represented, the Medical Association is represented, the labor unions are represented.

Mr. QUIE. And you select the representative for each of these groups?

Mr. BRAND. We ask them to tell us who they want and then an actual election is made by the Board, but we ask the Labor unions to give us their recommendation and help us select.

Mr. QUIE. This is the way you operate with every group other than the representatives of the Board, is that right?

Mr. BRAND. That is right. The board of directors does not have the opportunity of rejecting a representative of the poor who has been properly elected by their neighborhood.

Mr. QUIE. When did you first get one-third representation on the board?

Mr. BRAND. From the very beginning.

Mr. QUIE. Were these poor people?

Mr. BRAND. Excuse me, in the very beginning, I believe the original requirement was 25 percent and from the very beginning we had 25 percent representation on the board. We later voluntarily increased this to one-third because we felt benefited from the participation of the poor.

Mr. QUIE. How often does the board meet?

Mr. BRAND. Once a month and then special meetings as required.

Mr. QUIE. Does the entire board meet rather than an executive committee?

Mr. BRAND. The entire board meets and we have to have a quorum or else we can't do any business.

Mr. QUIE. You mentioned previously that 350 people were employed by TAP.

Mr. BRAND. Yes, sir.

Mr. QUIE. These are the people directly employed by TAP?

Mr. BRAND. This will not include the Head Start teachers by the school system.

Mr. QUIE. How much money have you received in this last year? Is that in your testimony anywhere?

Mr. BRAND. The 1960 TAP financial statement is on the inside back cover of this report if you would like to look at it. It is 2.8 million dollars. Administrative cost of about 10 percent, which, as I said in my testimony, is a lower cost than I am able to do in my business.

Mr. QUIE. Lower cost than that?

Mr. BRAND. A lower cost than I am able to do in my business as the cost of administration.

Mr. QUIE. How do you account for that? Do people give freely of their time?

Mr. BRAND. We have a large number of volunteers and we have been pretty tough on them because this is public money.

Mr. QUIE. So the 350 are the ones who are employed plus the volunteers. How many volunteers do you have in the program?

Mr. BRAND. You have to define a volunteer. We have hundreds of people who give some time but we also have a few people who are full-time or half-time volunteers. Every week they give half of their time.

Mr. QUIE. Do you have this broken down to a full-time equivalent or do you just list them and the various times they spend?

Mr. BRAND. No, sir. As you know, on the in-kind contribution, you are only able to count a person if he gives at least half his time full time and we count those and we do not count the others.

Mr. QUIE. What kind of evaluation have you made of these programs now?

Mr. BRAND. We have an information evaluation staff that we try real hard to evaluate. We have also contracted with the University Research Corporation and this was one of their pilot projects and they have been evaluating our programs.

Our board of directors from the business community, a part of our directors meeting each month analyzes one program each month and reports of the competent officials in that particular program reports to us and we evaluate, and we have a hard working board. It is not just a board of directors. We get out into the field and we try to do our own evaluation. We are trying real hard, Congressman Quie, to make these people productive and embark on a program led by the business community to accomplish this. We think it is good business to take these people who are unproductive and do whatever is required to put them to work.

Mr. QUIE. Have you had any outside evaluators look over your program?

Mr. BRAND. No, sir, only from the Central OEO.

Mr. QUIE. To what extent have you gone out and evaluated other programs throughout the country outside of Roanoke?

Mr. BRAND. Do you mean me personally?

Mr. QUIE. Yes, sir.

Mr. BRAND. I spent three days in Watts in February to study the Chamber of Commerce initiated program which they did involving the business community which is the type of thing that we are interested in. I visited their trade schools and two OIC schools before we even came up with our remodeling plans and did that. Our executive director has visited almost every successful CAP program in the east, so to answer your question we have tried to learn from every place that we know where to go.

Mr. QUIE. Will you be serving on the advisory board to help on some of the other programs?

Mr. BRAND. Yes, sir. I am committed to do that.

Mr. QUIE. How much time will that be?

Mr. BRAND. I am expected to give a day a month or a day equivalent. I am now giving about 25 percent of my time to this program.

Incidentally, I was just asked last week to serve on the United States Chamber of Commerce Board to study the guaranteed annual wage which basically I am opposed to.

Mr. QUIE. I am glad to have you studying it then.

In your testimony you suggested that the OEO remain intact and continue administering. Were you in favor of transferring three of the programs out of OEO?

Mr. BRAND. I am in favor of strengthening OEO. It is a business proposition, Congressman. You need to report in business to the organization from whom you receive your funds and instructions.

Mr. QUIE. In other words, adult education, work study and small loans should be back in OEO.

Mr. BRAND. If OEO is going to fund them and since the heart of the program in our area at least is the family, we are trying to break the cycle of poverty with the family. We take a child and put it in Head Start or a child in the day care program which gives us an opportunity to work with the big brothers and sisters or the mother if there is no man or the father if he is not working.

In the Community Action program you want to be able to have a positive program for each member of that family so that you will get that family out of the cycle of poverty and make every adult in that family productive.

So if the community Action program is good and if this is its function, it seems to me that it should report to a coordinating agency in Washington who develops the programs and supervises these programs. It is a normal business chain of command.

Mr. QUIE. Are you saying that work study and adult education and the small business loan program ought to be back in OEO?

Mr. BRAND. I think that with the basic adult education, and this needs to be defined, but once it is defined as I understand it it should now be in the Office of Education. It should be delegated to the school systems. The answer to your question is no, they should not back to OEO at this point. But it was proper that the Community Action program initiate this and get it started and when they can turn loose of it, when it is in the interest of the community to turn it loose then they can do it so they can be involved in something else.

Mr. QUIE. Do you think they are ready to turn loose of Head Start?

Mr. BRAND. No, because this is a different type of program and this is because of the in-home work that the school system is not equipped to do.

Mr. QUIE. Is the school system equipped to handle the basic adult education program?

Mr. BRAND. As I mentioned to Mr. Perkins before he left, until 18 months ago there was no basic education in the Roanoke Valley by the school system. Our local Community Action organization exerted the pressure and we got it started and now we have one and they are running it and this is good. But we also have a basic education program for lower levels as part of the OIC program because they still do not have a little course.

Mr. QUIE. Do you think it was wise for OEO to delegate the follow-through program to the Office of Education?

Mr. BRAND. I am not qualified to comment on that. I really don't know about that.

Mr. QUIE. Do you think that OEO ought to coordinate more than its own program? There is \$30 billion plus or minus expended by the Federal Government to help people get out of poverty outside of EEO.

Mr. BRAND. I understand. I think they should be involved.

Mr. QUIE. And should be the coordinating agency?

Mr. BRAND. You have to define coordinating again. OEO prepared a book which was the first time that I have seen such a publication, telling the local Community Action organizations every Federal program that was available.

The we sat down with them with our staffs to see what other programs and other agencies of the government would be available to

help us, even though they didn't have any responsibility for it, but they channeled us to these programs and we have a couple of them. This in a sense is a type of coordination. They really don't have any responsibility for this.

Mr. QUIE. That is preparing the catalog and I guess anybody could have prepared the catalog.

Mr. BRAND. Right, but it was never done before.

Mr. QUIE. They chose to do it, but you talk of the OEO being the command post.

Mr. BRAND. Right, for the poor.

Mr. QUIE. Some people have referred to the Department of Defense which coordinates all of the military effort. Do you feel that they should have that same role and coordinate all of the efforts to help people come out of poverty?

Mr. BRAND. I don't want to make a blanket statement like that. I think generally speaking this is the direction that the Congress should go. I think that a basic new approach to our welfare program must be taken. I am not an expert. I am just a businessman, but from what I have seen there is not enough rehabilitation in our welfare program, for example, and I think there is a function for a central representative of the poor to help in this area.

Mr. QUIE. In business you are both a processor and a retailer?

Mr. BRAND. We sell only retail. We design and sell only through retail stores. We have 100,000 house salesmen who sell in every State and every district in the United States.

Mr. QUIE. You do not manufacture?

Mr. BRAND. We do not manufacture at all.

Mr. QUIE. Do you think it is possible for a manufacturer who sells at wholesale to also have his retail outlets in competition with his customers without running into trouble?

Mr. BRAND. Every, almost every shoe manufacturer in the United States does this. International Shoe Company sells shoes wholesale and they have their own retail stores and they will be in competition with them.

Mr. QUIE. Maybe that is why the shoe companies have so much trouble.

Mr. BRAND. I think you will find this situation in almost any industry, such as the furniture industry.

Mr. QUIE. I know some industries that run into trouble with that. You say most of the shoe manufacturers are doing that.

Those are all the questions I have. I don't see any other members here to ask any questions. We are waiting for one to come back.

Mr. BRAND. I gave you a shoe analogy beginning at the bottom of page 6 which is a business analogy of how I would relate the central OEO to the shoe industry. I don't think the analogy of wholesale and retail comparison is the problem.

Mr. QUIE. Thank you very much.

(Mr. Brand's prepared statement and 2 letters follow:)

PREPARED STATEMENT OF CARELL BRAND, PRESIDENT, ORTHO-VENT SHOE CO.,
SALEM, VA.

It is a privilege for me to appear before this distinguished committee to make a brief statement and answer any questions you have concerning the operation of our community action program in a multi-county southern area. I wrote the

Chairman of your Committee, Congressman Perkins, on July 7, 1967 and have sent copies of this letter to each member of your committee. I hope this letter can be made a part of this record, so I will not repeat views already expressed.

Two years ago, the City of Roanoke and the counties of Roanoke and Botetourt established a coordinated community action program for the whole Roanoke Valley. This was later expanded to include Bedford and Rockbridge counties. The area is shown on this map and includes a total population of about 258,000 people, with one metropolitan area, the City of Roanoke, but including large, sparsely populated rural areas.

We established a non-profit corporation covering this entire area with a Board of Directors from all segments of our society and with a large businessman participation. Our organization is called TAP, Total Action Against Poverty in the Roanoke Valley.

I am very enthusiastic about the programs we have underway and the progress we are making. The community is responsive and enthusiastic. This is reflected by the favorable press and editorial coverage and the cooperation of everyone involved. Attached to our original funding application were endorsements from over 100 local groups, including all the governments involved at that time, every business and manufacturing association, every Chamber of Commerce, the local Bar Associations, the medical societies, the professional welfare organization, each school board and school superintendent, most church groups and so on. Most of our local funds have been provided in-kind by business, churches and governmental units.

The Economic Opportunity Act has provided hope and positive self-help programs for the disadvantaged poor who were neglected for so long. As a businessman, I heartily support the Economic Opportunity Act which allowed all of this to come about and hope that it will be expanded as much as possible. I congratulate you and the entire Congress for having the foresight to pass this constructive bill.

I will not go into the details of the specific programs we have underway in Roanoke, as they are reported in the Annual Report, which I have attached to this statement. However, I will be happy to answer any questions about that.

While we are working hard, many of us as volunteers, our job is just beginning. OEO at the national level has provided us with the guidance, suggested techniques and programs, and actually got us started.

There is an interesting point in our organization. The Bedford County Board of Supervisors is opposed to the Anti-Poverty Program and has refused to participate. Yet our community action organization extends to the people in Bedford County and with whose support we have been able to conduct Headstart, a day care program and Neighborhood Development. This is one of the best reasons why an independent community action organization is vital to the success at the local level of any Anti-Poverty Program. Without it, the existing agencies would have their hands tied. One example of the effectiveness of a multi-area community action organization is the way Headstart was handled in our area. We coordinated Headstart with four separate school administrations and in effect, delegated to each school system which ran their own program.

I am firmly opposed to dismantling the Office of Economic Opportunity and disbursing the Anti-Poverty Programs into other agencies of the government. In saying this, I am not criticizing the other agencies, because each with its specialty, has been most helpful. But the specialty of OEO is the poor people of this country. Our local community action program is stronger because of the involvement and the participation of the poor in all of our activities. And the poor are encouraged to participate because they are beginning to find out they have a voice, locally and in Washington—through a central agency which is their representative exclusively.

In my opinion, OEO should be strengthened, not weakened. It should continue to be an independent agency. It should continue to be the agency which operates as opposed to one which merely coordinates. Certainly, for the time being, it should continue to operate all of its current programs.

To my knowledge, no other agency of the government has had much experience in attacking the poverty problem except OEO. The Labor Department has manpower training programs, but prior to OEO, had no experience in developing special programs for the hard core poverty population.

HEW has had experience in health, educational and welfare programs, but has had very little experience in developing special programs for the poverty families.

We must remember that 12 years of public schooling have been available to all American people. We would have very little poverty in the United States if

everyone had finished high school. Yet in the Roanoke Valley, we still have a 40% dropout rate. Why is this?

There are, of course, many reasons, but the key to the dropout problem is to provide in-home and neighborhood work with the families on an individual basis, to motivate the parents and the child to continue the child's education. OEO and our local community action program is developing such techniques with success. Our school system is not set up to do this kind of in-home work. To attempt to delegate the responsibility for breaking the cycle of poverty to the existing organizations will dilute greatly this effort. In fact, they have had this opportunity for several generations and failed.

Over 20% of the American population is still in poverty. As you see from our chart, the Roanoke Valley is typical of the national statistics. While 20% is a large figure, it is still a minority of our population. It's natural that HEW with its educational and training programs will concentrate on the majority of our people. We need a special organization such as OEO to develop specific programs for this minority. It is making progress and it can solve the problem in another 10 or 15 years, if given the opportunity. I am confident that you, that the Congress of the United States, want to develop the best possible program for the families living in poverty. Until three years ago, there was no program, no specialized facility, or department. Now there is, but the work is just beginning. Don't dismantle it. Improve it.

A criticism which I have heard about OEO is that it is inefficient. I am sure that its administrative system and procedures can be improved. But from my experience, OEO is efficient and effective. I am informed that OEO has a total administrative cost, including personnel, facilities and everything related to the central bureau of just 3%. Our local TAP administrative cost is about 10%. This is less than our administrative cost in our shoe business. In my visits with other Anti-Poverty Programs in other cities, I have seen no evidence of waste, overlap or misappropriation.

The inexperienced person often underestimates the complication and difficulty in setting up a new organization. Our shoe business has existed for 40 years and we find new inefficiencies every day. In our local community action organization, we had tremendous problems putting together a staff and developing our systems and procedures. There were no experts in poverty to hire—certainly not at salaries we could afford. I personally interviewed 30 qualified educators for the top three posts. We could not offer more money—only less. We could not offer security—only a one year contract. No fringe benefits. Only an opportunity to help people. This problem went on down the line. It was a new organization. There were no established operating procedures, no systems. We have been through five business managers and three bookkeeping systems in 21 months. Yet we are functioning and making progress. In fact, one benefit in not having qualified people available, we have trained many of the disadvantaged and hired them in productive jobs.

OEO has had the same problems except more so. They have had to start everything from scratch. I don't know how many community action organizations like ours they have helped organize from scratch, but many I am sure. They have developed many novel programs to help the poor such as Headstart, Job Corps, Community Development, Neighborhood Youth Corps, Upward Bound, Legal Aid, Foster Grandparents, etc. All of these programs are new. The existing federal agencies have helped, but OEO has initiated them, coordinated them. And OEO will initiate many more if it is left intact and has the opportunity.

As you know, the heart of the Anti-Poverty Program is at the local level with the community action organization. Here business and industry are involved and are participating even more as programs are expanded. Local efforts need to be strengthened and the local participation broadened. But you would not strengthen the local community effort by having its programs handled by three or four different federal agencies. This would complicate the coordination and encourage more duplication.

At the local level, we are working with people, with families. For example, if a young child from a poverty family is in Headstart or a day care program, we have an opportunity to work with each member of this family—an older child to keep in school, a parent to train for work and get off welfare or whatever this family's problems are. And, of course, we could do much more if there were more money.

Our community action organization functions as a business and works with all local agencies. We have been encouraged by OEO and carefully directed by

their competent staff. Since the majority of our funds come through OEO, they have some control to see that we do not duplicate or overlap other programs. In functioning as a business, it's important to be required to report to the authority responsible. Coordinating without authority is not practical.

Recently, I spent an afternoon at the Chamber of Commerce of the United States, of which we are a member, talking to their research people and economists on their views of the poverty program. Three weeks ago, I joined 40 other business executives at a "think" session at Airlee, where political, social and economic problems were discussed with Chamber executives and with many of the outstanding leaders of our country. With my letter to you of July 7, I attached a copy of my letter to Mr. Arch Booth, head of the United States Chamber which included a point by point comment on the Chamber's recommendations towards the poverty legislation. I hope that this will be helpful to you, and if you choose, make a part of this record.

I have three suggestions for improving the effectiveness of OEO and the War on Poverty:

(1) Improve the communication with the people in the United States to let them know what the Anti-Poverty Program is. Most people do not understand it. They think it is a federally administered program from Washington. However, it is a local program. If a local community action organization is not formed to identify local needs, there is no program. If local people do not take an interest and do not run it, there is no program. The Economic Opportunity Act of 1964 gives local communities an opportunity to develop their own tailor-made programs for their own local people. But this is not understood.

There is a misconception about handouts. Recently, a distinguished Senator said to me, "If the poverty program is continued, I want to see that the money goes to people who need it the most". My reply to him was that no money in this program goes to people directly. Ninety percent of all the money which is expended for the poverty program in the Roanoke Valley is used for education and training and for motivating the poor to help themselves—to become productive, participating members of society. This means that the money is spent for teachers salaries, schools, neighborhood development and other related costs. People who need help are being given the opportunity to take advantage of the opportunities which have accumulated over the decades to make up the American dream. The answer to the poverty problem is very simple: do what is required to get people who are in poverty into society and into a job. There are no handouts. The public doesn't understand this, but they must.

(2) Information and evaluation techniques and procedures must be improved and expanded. The amount of money we are spending now for the Anti-Poverty Program is only a small amount of what will have to be spent later, in one form or another, when our available resources are greater. We must know accurately what we are doing right and what we are doing wrong. This is another reason for a central OEO. But more independent evaluation must be made both at the national and local level.

(3) Administrative procedures and systems in OEO must be strengthened. Both stability and time will help here, but encouragement from you will certainly accelerate it.

Let me conclude by giving you a business analogy to the central OEO problem. As you know, I am in the shoe business. Our company sells shoes through direct house-to-house salesmen. We have over 100,000 full and part-time representatives in every state and every district in the United States. If we had been assigned the project of developing a shoe program for the natives of some under-developed island, who never before had worn shoes, we would have many problems such as design, supply, marketing, but primarily a motivational program in convincing these people they should wear shoes. Suppose we had worked on this problem for two years. Suppose we knew we were being successful to some extent, making some progress and even making a profit. This does not say that we would have made as much money as possible or that the program could not be improved, or some other shoe company could not have done a better job. But with two years experience, it is unlikely that some other company without any experience could start from scratch and do a better job. In fact, the odds would be that they would start two years behind, having to learn again what we had learned in our two years experience. A more positive way to accelerate marketing of shoes to these people would be for all interested organizations to advise

us and help us improve our program. But certainly, not replace our responsibility for it.

I invite you to visit our local program and urge you to study the program in your area to see for yourself the effectiveness of what is being done locally to upgrade the poverty families. I do not believe that any Congressman would vote to discontinue the present work if he knew the facts—unless the vote would be political in nature. Billy Graham has expressed the hope that the poverty program can be kept out of politics. I am confident this can be done.

In summary, the heart of the Anti-Poverty Program is the local community action organization which develops local programs for local people, run by local citizens. In simple business terms, the local community action organizations need to report to a specialized federal agency, from whom it receives its funds, which will guide it, instruct it, and help the less knowledgeable local workers coordinate all of the various programs available to it. We must work together to solve the problem of poverty which is the major problem facing the world today. At this particular time, when riots, unrest, high unemployment among the disadvantaged, high dropout rates, are before us in glaring headlines, we should do nothing to weaken the forces at work in this country to solve these fundamental issues. We should figure out ways of strengthening them.

ORTHO-VENT SHOE CO., INC.,
Los Angeles, Calif., July 7, 1967.

Congressman CARL PERKINS,
*Chairman, Education and Labor Committee,
House of Representatives, Washington, D.C.*

DEAR CONGRESSMAN PERKINS: You will soon begin your hearings on the poverty program. For the past two years, I have been intimately involved in the development and leadership of the local Roanoke Valley poverty program and would like to give you the benefit of what experience I have had to help you evaluate this program.

Two years ago, the City of Roanoke and the counties of Roanoke and Botetourt, later added by Bedford County, got together and established a coordinated community action program for the whole Roanoke Valley. This is a non-profit corporation with a Board of Directors from all segments of our society and with a large businessman participation. Our organization is called TAP, Total Action Against Poverty in the Roanoke Valley. I am enclosing a copy of our Annual Report published last month.

I am firmly opposed to the dismantling of the Office of Economic Opportunity and in breaking up the program to be handled by other agencies of the government. I have been intimately involved in this program for nearly two years and have had experience in working with OEO and the other agencies of the government which do handle portions of the poverty programs.

Our Congressman, Dick Poff, said to me in a recent letter, "I believe the work can be more effective and money can be spent more wisely if the operation is decentralized and each segment of the total program is handled by the departments and agencies of the government which have had *experience in the particular field involved*". My reply was as follows:

No agency of the government has had any experience in solving the poverty problem except OEO.

The Labor Department has manpower training programs, but has no experience in developing special programs for the hard core poverty population.

HEW has had experience in health programs, educational programs and welfare programs, but has not had any experience in developing special programs for the poverty families. The proof of this statement is the fact that 12 years of public schooling has been available to all American people. Yet in Roanoke Valley, we still have a 40% dropout rate. Why do we have this dropout rate. The answer to this question is being sought by OEO and special programs have been developed by OEO to solve or help solve the dropout problem. Progress is being made.

HEW, for example, is experienced in dealing with conventional organizations in our community such as the welfare departments, the health department and the school boards and school systems. The key to the dropout problem is to provide in-home and neighborhood work with the families on an individual basis to motivate the parents and the child both to continue the child's education. OEO

and our local community action program is developing such techniques with great success. Our school system is not set up to do any kind of in-home work. To attempt to delegate the responsibility for breaking the cycle of poverty to the existing organizations is folly, because they have had this opportunity for several generations and it failed.

From my knowledge of federal programs and there are very few of them which I am in favor of, the Office of Economic Opportunity is the most efficient. It has a total administrative cost, including personnel, facilities and everything related to the central bureau, of just 3%. The novel programs which this 3% separate organization has created such as Headstart, Job Corps, Neighborhood Development, Neighborhood Youth Corps, SERVE, Upward Bound, Legal Aid, Foster Grandparents and many others shows the benefit of having a central organization coordinating all special poverty programs. All of these programs are new. The existing federal agencies did not conceive of a single one of them. OEO initiated them all. And they will initiate many more if they are left intact and have the opportunity.

About 25% of the American population is still in poverty. While this is a large figure, it is still a minority of our population. It's natural that HEW with its educational and training programs will concentrate on the majority of our people. We need a special organization such as OEO to develop specific programs for this minority. It is making progress and it can solve the problem in another 10 or 15 years, if given the opportunity.

If the Congress of the United States dismantles OEO and says, in effect, it's not important, then the Congress must bear the responsibility for the consequences. I am sure I would lose interest as would many other dedicated local workers.

In a recent letter to me from Senator Harry Byrd, Jr., he said, "If the poverty program is continued, I want to see that the money goes to people who need it the most". My reply to him pointed out that no money in this program goes to people. Ninety percent of all the money which is expended for the poverty program in the Roanoke Valley is used for education and training. This means that the money is spent for teachers salaries, schools and other related costs to education. The people who need the help are receiving help in the form of schooling so that they can qualify for a job and get to work. The answer to the poverty problem is very simply to do what is required to get people who are in poverty into society and into a job. Since the definition of poverty is a family of four who earns less than \$3,000, the obvious way to cure the problem is see that these people get jobs which pay them more than \$3,000. That is exactly what we are trying to do.

There is no welfare or other handouts in this program. OEO has done a magnificent job in developing the new concepts pointed out above and they are working. In the Roanoke Valley, we have a 40% dropout rate. Imagine 40% of our seventh grade students do not graduate from high school. Yet many of our industries will not accept an application from a non-high school graduate. We are trying hard to develop programs and motivational techniques to keep these children in school and to train adults beyond the public school age for better jobs.

I urge you to visit our local program and see for yourself the effectiveness of what we are trying to do locally in this area to upgrade 25% of our people. I do not believe that any Congressman would vote to discontinue the present work if they knew the facts—unless the vote would be political in nature. And in the words of Billy Graham, I certainly hope that the poverty problem can be kept out of politics.

Last Friday, I spent the afternoon at the Chamber of Commerce of the United States talking to their research people and economists on their views of the poverty program. Three weeks ago, I joined 40 other business executives at a think session at Airlie, where political, social and economic problems were discussed with Chamber executives and with many of the outstanding leaders of our country. I am enclosing a copy of my letter to Mr. Arch Booth, head of the United States Chamber and a point by point comment on their recommendations towards the poverty legislation. I hope that this will be helpful to you.

If there is anything further that we can do in our area to help bring the facts before Congress, please do not hesitate to call on me.

Sincerely,

CABELL BRAND, *President.*

ORTHO-VENT SHOE CO., INC.
 Los Angeles, Calif., July 5, 1967.

Mr. ARCH BOOTH,
Chamber of Commerce of the United States,
Washington, D.C.

DEAR MR. BOOTH: I am embarrassed at writing you another long letter, but this is another vital subject I would like to discuss with you; namely, the Chamber's position and testimony on the poverty program.

I have read the testimony of June 9 before the Senate Sub-committee and your research publications given to me last Friday. I think it is commendable that the Chamber has attempted to research this complicated subject and help inform your members. As I pointed out in my letter of July 3, for the past two years, I have served as President of our local anti-poverty program, TAP, and have had first-hand experience with many of the points in your research. I hope it is proper for me to express to you my opinions, hoping they will be useful in preparing your coming testimony before the House Education Committee on the poverty legislation.

I am pleased that the Chamber recognizes the value of the education and development programs which have been started, and does not recommend discontinuing any of them. You have pointed out some deficiencies in the programs. Certainly no one questions that improvements can be made.

But I feel the Chamber's policy has overlooked the single most vital issue at stake here.

The most important aspect of the War on Poverty is the development of a community action organization at the local level. This has created an opportunity for businessmen to get involved at the local level with local programs to solve local needs. It is not understood that the poverty program is a local program, and that the federal government really is not involved at the local level other than to provide funds for these locally conceived activities.

It is my opinion that the National Chamber should encourage the strengthening of community action organizations and encourage increased businessman's participation at the local level. This could be a vital part of your total community development program, which I understand, the Chamber is now concentrating on. In Roanoke Valley, for example, our Community Action Program, while devoting most of its energies to the disadvantaged 25% of our population which is not productive, we are expanding our interest to coordinate all vocational training programs and promote increased business sponsored programs. The new OEO funding of the North Carolina vocational training project in cooperation with N.A.M. is an excellent example of what can be done.

It is important that the community action projects be funded and report to OEO. You have not suggested otherwise, even though the Republican sponsored "Crusade" would eliminate OEO. The community action organizations should continue to report to OEO on most of the programs which they implement and certainly all of the programs related to the poverty section of the population. This is particularly true of Headstart which was conceived by OEO and is being improved by the creative staff of OEO. It should not be relegated to the Office of Education. They previously had the opportunity to develop programs of this type, but did nothing. They do not have the staff or orientation to develop or supervise the supportive functions of a program like Headstart, particularly in-home work so vital to its success. In fact, Headstart is only partially an educational program. It gets children together, encourages group activities, feeds them, works with the parents, encourages their participation with other children and the family's participation in society and as a by-product, gives the children a little education. Its main function is to prepare these children for their educational experience. Some of the same arguments could be used in having Neighborhood Youth programs under the complete supervision of OEO.

The basic point, however, from the Chamber's point of view is that businessmen are involved in community action programs and need to be more involved. The Chamber should promote this in all messages to the business community. And in any business operation, if these community action organizations are to be funded by OEO, they need to report to OEO to make their expenditures more efficient and effective.

Rather, therefore, than reducing the scope of OEO and taking programs away from it, I would suggest enlarging it, improving its creative ability which has done such a magnificent job in helping develop programs such as Headstart, Neighborhood Youth Corps, Upward Bound, SERVE, the com-

munity action concept, Job Corps, New Careers, Day Care Programs, OIC, many novel vocational training programs, and so on.

The work of OEO is just beginning. Its administration, as well as every program, can be improved. The chamber can help, with its research and constructive suggestions. But don't recommend that this new organization, OEO, have less influence in poverty programs when its work is just beginning and when it can be such a valuable tool to the business community.

Let me give you a simple business analogy of the work that OEO has done for the disadvantaged poverty families. If our company, in the shoe business, had developed a shoe program for a group of natives in an under-developed country who never before had worn shoes, we would have had many supply problems, but primarily a motivational program in convincing these people that they should wear shoes. After two years of this program, suppose that we knew we had been successful, to some extent, were making progress and were making a profit. This does not say that we had made the maximum profit or that our program could not improve or that perhaps some other shoe company could even have done a better job. But with the two years experience, it is unlikely that another shoe company without any experience in this new shoe program could do any better job. In fact, the odds would be that they would start two years behind, having to learn everything that we had learned in the two year period. A more positive way to accelerate this worthwhile endeavor would be to make every suggestion possible to our company for improving our work, but not relieve us of the responsibility for any part of it. In fact, make us totally responsible for all phases of it.

In an effort to be precise and constructive, I have attached a point-by-point comment on your summary of recommendations (page 1) in your "Youth and the War on Poverty" pamphlet.

I invite you, any of your staff and members to visit us in the Roanoke Valley and see for yourself what is being done here. Too often, research work is done without the benefit of firsthand field experience. In addition, I would be happy to participate with you in any discussions on this subject, particularly between now and your next testimony before Congress.

Sincerely,

CABELL BRAND,
President.

COMMENTS ON CHAMBER OF COMMERCE PUBLICATION,
"YOUTH AND THE WAR ON POVERTY"

(Refer to Page 3, *Summary of Recommendations*)

The Job Corps

1. Evidence suggests that the Job Corps is failing to lead to jobs for which it has trained youth—one of its major purposes.
2. Although 76% of formerly unemployed, or unemployed youths have attained employment since leaving the Job Corps.
3. Only 28% of the graduates are working at jobs for which they were trained.
4. 74% of the enrollees are no longer employed in the job in which the Job Corps indicated they were placed.

The fact that the Job Corps is failing to lead to jobs for which it is training its youth is of relative unimportance. The same is true of nearly all educational institutions. In our industrial society, most workers are retrained every five years. What is important is that 76% of Job Corps enrollees have obtained employment after leaving Job Corps and these are the youngsters who have failed in or have been failed by all other institutions of our society.

5. Employers rate the majority of the graduates' training, skill level and work habits as only "poor" or "satisfactory".

It is not surprising, nor alarming, that employers rate the majority of the graduates performance as only "poor" or "satisfactory". Nine months, the average length of stay of an enrollee, is a very short period of time in which to redirect and retrain heretofore unemployable or unemployed persons. Only long range training programs will produce "excellent" work habits. This is an area in which business and industry might work with Job Corps and produce a really dynamic follow-up.

6. OEO can supply gross statistics about programs, but detailed statistics and information regarding cost, educational increment and enrollee placement are imprecise, or non-existent.

This is, I am fairly certain, a just criticism. The cost of quantitative and qualitative analysis and evaluation is extremely high. TAP has been pushing

OEO to make this investment since we started and feel it is one of the keys to winning the Poverty War. The public must be made aware of the need for pure research and funds must be found somewhere to pay for it.

7. The Job Corps is doing very little to aid the graduates in job placement.

It is our understanding that the Job Corps and OEO work with the States in recruitment and placement. This report indicates that something different needs to be tried. It is also my understanding that OEO is placing job counselors with state employment services in the hope of diminishing these problems. I know in the early months (1965) the number applicants so far outnumbered the capacity of the facilities that the applicants became disillusioned and disinterested. This has been corrected, I believe, but I still hear from WICS and other sources that the women often have too long a waiting period. Industry could probably help a great deal in working out placement problems.

8. An enrollee's age is often a barrier to employment.

I do not have any information on this.

9. More than \$486,000,000 has been spent on 60,000 enrollees who have already left the Job Corps and who, for the purpose of evaluation, are lost.

Business leaders should be the first to understand the necessity for investing in research and evaluation and certainly in identifying results. I agree wholeheartedly with everything the Chamber has recommended on this subject.

10. The majority of the enrollees describe the Job Corps as the best experience of their life.

If the majority of the enrollees describe Job Corps as the best experience of their lives, surely this says something about the way it is being administered. I don't see anything in this report which has convinced me that it would be beneficial to the program to transfer it to the Office of Education.

The Neighborhood Youth Corps

1. The Neighborhood Youth Corps has provided a conventional work-relief program with few, if any, frills.

I agree, but they completely overlooked what I consider to be the most important benefit of N.Y.C. This is that the youngsters, most for the first time in their lives, have an opportunity to develop personal relationships with "career type" people. This can open up the hope and possibility that they can, indeed, enter and be successful in careers, which they otherwise assumed were closed to them.

2. Vocational education training, necessary for the enrollees' to secure meaningful jobs, has been minimal in the Neighborhood Youth Corps.

This is not really the purpose of N.Y.C. and was never intended to be, as far as I know. This appears to be a misunderstanding on the part of the Chamber.

3. Neither the Labor Department nor the Office of Economic Opportunity maintain regular follow-up records of past enrollees.

One of the weaknesses in the lack of evaluation.

4. A number of sponsors of in-school and summer Neighborhood Youth Corps programs reported a noticeable decline in school drop-out rates, which they attribute to the Youth Corps.

Everyone is certainly glad to hear this.

5. There are many instances where the Neighborhood Youth Corps is credited with a decline in the juvenile delinquency rate.

We believe this is probably true, and the longer we work with these young people, the more convinced we are that the old saying about juvenile delinquency being adult delinquency is truth. We give lipservice to this, but few adults behave as if they really believe it. When someone shows an interest in these kids, it is rather humbling experience to see how readily they respond.

6. The Neighborhood Youth Corps indicates that only 38.2% of the out-of-school enrollees return to school, receive additional training, or are employed after the program is completed.

I assume you developed these records for your report indicates follow-up records haven't been maintained with any degree of accuracy. Remember that these youngsters are the hard-core dropouts, usually not even draftable. More planning has to be done on placement, however.

All in all, your findings show that N.Y.C. is successful. I don't understand the recommendation that N.Y.C. be passed to the Department of Labor. While funded through OEO, all applications are processed by Labor and all programs are administered by Labor. The OEO funding goes through Labor, but this set-up gives OEO the chance to review a CAP's total effort and share of the funds.

Head Start

1. All observers agree that Head Start has demonstrated the ability to advance rapidly the enrollee so that he can start his school experience on at least an equal footing with children from more advantaged homes.

We would agree with all of the observers on this point.

2. There is considerable evidence to suggest that all of the benefits of the Head Start program are not retained when the child enters the regular school system.

Undoubtedly, what happens to the youngsters in the regular school system is of prime importance in determining the ultimate success of the program. But it is here, in the regular school system, that the program fails. Since the follow-up in the public schools has already been entrusted to the Office of Education, it would be unrealistic to suggest that this now be placed under the direction of OEO. My question is, why take a successful program, such as Head Start, and place it under an agency which in the past has demonstrated no capability in dealing with the problems of the poor?

3. The training programs for Head Start teachers have not been successful.

We cannot speak for all training programs for Head Start teachers. However, the programs with which we have been involved, both the ones OEO has contracted with Universities and the ones we have held under their guidelines, have been extremely successful. Their chief area of success has been in daring to use new methods and in "training out" some of the traditional attitudes and methods of teachers which are proving to be detrimental to early childhood development, not only of poor children, but of all children. I would have to see further evidence to believe this criticism.

In summary, I believe the Office of Economic Opportunity's most important reason for being is that the *visible* agency of the poor and has in a very short time demonstrated that changes can occur on a local level which other groups and agencies have only talked about for a long time. If TAP (our local Roanoke Valley community action organization) says to the poor, and the middle class of the Roanoke Valley, that someone cares, then OEO says this on a national level. If programs are assigned to the various established federal agencies, then it is reasonable to assume that the next step is to do the same on the local levels. We would very soon be right back to where we were before 1965.

The problem is not that OEO is a failure but that too little money has been spent and too little time has elapsed for the elimination of this overwhelming national—and world—problem. If we don't spend more money one way, however, we shall certainly be forced to spend it another.

If these programs are funded piecemeal by the various agencies, I suspect what will result is more duplication, rather than less. The way it is presently, one office (OEO Regional) is constantly aware of the total effort in the Roanoke Valley and helps us to keep an eye on the overall effort and need. With all of its lack of organization, evaluation, and funds, OEO has demonstrated an ability to reach people, to understand them, their problems and dreams, and to give them a feeling of belonging to something and being somebody. This is the basic, most important aspect of the poverty problem. What is the record of the other agencies before the advent of OEO?

We invite the Chamber of Commerce, Congressmen, businessmen, and all interested persons to visit the Roanoke Valley and see first-hand the progress which is being made.

Mr. QUIE. We will now take the Interreligious Committee Against Poverty, Rev. Larold Schulz, chairman, Antipoverty Task Force, National Council of Churches of Christ; Rabbi Richard Hirsch, director, Religious Action Center; and George L. Haithcock, director of field service, National Catholic Community Service.

STATEMENTS OF REV. LAROLD SCHULZ, CHAIRMAN, ANTIPOVERTY TASK FORCE, NATIONAL COUNCIL OF CHURCHES OF CHRIST; RABBI RICHARD HIRSCH, DIRECTOR, RELIGIOUS ACTION CENTER; AND GEORGE L. HAITHCOCK, DIRECTOR OF FIELD SERVICE, NATIONAL CATHOLIC COMMUNITY SERVICE

Reverend SCHULZ. I am Larold Schulz, and on my left is Rabbi Richard Hirsch, and on my right, Mr. George L. Haithcock.

I think in the interest of time we will submit our statement and ask that it be placed in the record, since you have it before you.
(The statement follows:)

PREPARED STATEMENT OF REV. LAROLD SCHULZ, CHAIRMAN, ANTIPOVERTY TASK FORCE, NATIONAL COUNCIL OF CHURCHES OF CHRIST; RABBI RICHARD HIRSCH, DIRECTOR, RELIGIOUS ACTION CENTER; AND GEORGE L. HAITHCOCK, DIRECTOR OF FIELD SERVICE, NATIONAL CATHOLIC COMMUNITY SERVICE

Mr. Chairman: We appear before you today as representatives of the Interreligious Committee Against Poverty. The organization which we represent was formed in January 1966 through the joint efforts of United States Catholic Conference (formerly the National Catholic Welfare Conference); the Synagogue Council of America and cooperating Jewish organizations; and the National Council of the Churches of Christ in the USA. The Interreligious Committee Against Poverty was formed for the purpose of rallying the full weight of major Jewish, Roman Catholic and Protestant groups in the war against poverty in all sections of the United States.

The Committee was established in recognition of the fact that the problem of poverty and its solution has been the concern of Judaism and Christianity through the ages. Deeply embedded in the religious heritage of each participating group are moral imperatives calling for the elimination of poverty.

Today as we appear before you our country is in the midst of deep crises. The events of recent weeks have at once underscored tragic realities of poverty and powerlessness even as they have made clear the need for immediate action which will wipe out the conditions which have created the unrest. Because of our mutual concern regarding the present situation, the Interreligious Committee Against Poverty formulated the following message to the President of the United States yesterday:

Dear Mr. President: We deplore the rioting which has resulted in the loss of human life and the destruction of property. However, it is vital that our nation respond to the deeper causes as well as to the symptoms of this agonizing unrest. America must not be diverted from fulfilling its promise. We reaffirm the philosophy and sound principles embodied in the "Great Society" programs. We hold that the minimum economic goal of the United States must be adequate food, clothing, housing, medical care, education and social security for every individual and family.

We condemn not only the violence, but the economic and social conditions which are the seedbeds of violence. We recognize, as you have stated previously, that victory over poverty will take time, hard work, money, and perseverance. Poverty is a complex problem. There are no instant cures and no single set of remedies that can be a total answer.

However, let us begin now by strongly supporting and expanding the Economic Opportunity Act. Let us quickly pass other legislation now before the 90th Congress designed to ameliorate social and economic injustice. Let us seek full and adequate funding for these programs. Let us undertake immediate comprehensive action by government, with the assistance of the private sector, to move toward those goals which are desired by all compassionate and clear-thinking citizens. Let us dedicate ourselves to the creation of that equitable society which is the only real answer to social unrest and injustice.

Recently the Interreligious Committee Against Poverty (ICAP) published the attached pamphlet entitled *Poverty*. This pamphlet was distributed throughout the constituency of the Interreligious Committee as well as to leaders of government, including all members of Congress.

In the statement are these words:

"It is God's will that the dignity of each human person shall be respected and affirmed. Involuntary poverty, especially in a society of affluence undermines human dignity. To sanction or allow the continuation of such indignity is to diminish man's stature and to desecrate the image of God."

As one of the theological foundations of our concern, we further note that:

"God wills that the human community be characterized by justice and compassion. The poverty of one impoverishes all. The perpetuation of poverty in an economy of abundance violates man's responsibility both to compassion and to justice. It is evil in the sight of God."

We hold that poverty is no longer forced upon us by the fact of scarcity. The Interreligious Committee declares:

"that the minimum economic goal of the United States must be adequate food, clothing, housing, medical care, education, and social security for every individual and family. The achievement of this goal requires vigorous and positive action, both by all levels of government and by a multitude of private groups and individuals serving according to their abilities and opportunities."

We of the Interreligious Committee have been pleased by the vigorous beginning by the Office of Economic Opportunity in meeting its responsibility to eradicate poverty among the poor of this country. We wholeheartedly subscribe to the findings and declarations of purpose of the Congress of the United States as stated in Section Two of the Economic Opportunity Act of 1944:

"It is, therefore, the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity."

We have been impressed not only by the stated goal, but by the initial steps taken toward the achievement of that goal. The multiplicity of programs, reaching all age groups and the vast diversity of needs among the poor, have been not only conceived but rapidly put into action. While fully supporting the objectives of the Economic Opportunity Act and while acknowledging that an honest and sincere start has been made to eliminate poverty in our nation, we recognize that some of the hopes which were raised by the passage of this legislation could not be fulfilled, and thereby, frustration and criticism of the Office of Economic Opportunity have been created. Much of this criticism is not realistic. Although we can understand and sympathize with those who show impatience, we are concerned, that the results of criticism and impatience be constructive. We believe that criticism should lead to greater progress rather than less effort. It has been unfortunate, and a setback to the war on poverty, that many programs have had to be curtailed or eliminated because of the lack of funds. These funding cutbacks have undermined programs, lowered the morale of staff, and in general, created antagonism among the poor.

We believe that the Economic Opportunity Act of 1964, as amended, has resulted in the building of solid foundations from which further gains in the elimination of poverty can be realized. The programs under this Act made possible by the policy of our government and legislation passed by the Congress, are to be seen across the country. The community action agencies out of which come many of the programs for the elimination of poverty represents the "launching pad" from which new thrusts must come if poverty is to be eliminated.

In many communities across the country religious groups are cooperating in programs made possible by the Economic Opportunity Act. We have firsthand knowledge of the effectiveness of many programs. We have seen first hand the ability of poor people, when given a chance, to take leadership roles in developing their own programs. We are pleased by positive results of Headstart, Upward Bound, Legal Services, VISTA, and the Job Corps.

We are confident that the present structure of the OEO provides the necessary focus under which the above mentioned programs, as well as others, can best be carried out. The Office of Economic Opportunity should be the single agency of government charged with coordination and ongoing comprehensive assessment of all anti-poverty programs within the federal government. It is imperative, from our view, that the mandate to the Director of the Office of Economic Opportunity to be responsible for all anti-poverty programs must be fully implemented. In other words, the OEO should be the one agency of the federal government which carries the basic responsibility for our national effort to eliminate poverty.

One of the major reasons for our belief that the OEO should continue to function as it has in the past is that it provides a champion for the poor and it is much more likely to attempt new and innovative programs than older established agencies. We have been impressed by the Headstart programs and their involvement of the poor in leadership capacity. We are convinced that efforts toward self-determination in community action programs have been very effective in a number of areas. We have seen the results of innovation and experimentation which have provided positive programs toward the elimination of poverty. We support the excellent achievements of the Job Corps in attempting to deal with almost impossible problems.

We believe that the principle and strategy undergirding the Economic Opportunity programs which is based on the maximum feasible participation of the poor is the most important single aspect of the entire program. It is this element which distinguishes the Economic Opportunity Act from all other poverty programs, for it is this element which removes the present endeavor from the extending of charity to the extension of democracy. It is this element which recognizes the humanness of the poor, a recognition desperately needed in the face of the dehumanizing affects of poverty.

We feel that the continuing success of the OEO programs depends upon the recognition that much of the program must be innovative, and that we must build on what we learn through experimentation. It is essential that we encourage pilot demonstration projects. We can abandon those projects which do not show promise; we can expand those projects which prove successful. We do this without question in the physical sciences; we certainly should be able to do it in finding the answers to human and social distress. For this reason we believe that the aspect of Title II regarding the conduct of research and demonstrations, should be expanded and that this aspect of the program should receive adequate funding.

Another element which is crucial in the OEO program is the utilization and integration of two types of personnel: (1) skilled professional people—educators, social workers, city planners, and others, to administer the programs; and (2) the poor themselves to be employed in tasks which, with professional guidance, they are qualified to perform. It will be difficult to attract people with the necessary technical competence, creativity and vision to administer the programs if there are salary limitations placed upon professional personnel. The competition for these qualified people is great, and the OEO programs and Community Action programs need the best persons available to assure the success of the program. We are opposed to the salary limitations placed upon employees as specified in Title II, Section 244 of the proposed amendments. At the same time, salaries should be placed at a realistic level related to the job to be performed and the competence of the person to be employed.

The Act, as Amended in 1966, requires that organizations participating as sponsors in OEO-funded programs contribute 20% of the cost after June 30, 1967. The Proposed Amendments maintain this requirement. While recognizing that this provision also authorizes the Director of OEO to finance assistance in excess of 80%, we feel that many organizations which contribute valuable projects and services, and have a great potential for helping the poor, will be inhibited from doing so by virtue of the 20% required of them. This is particularly true of the voluntary non-profit organizations which raise their funds through voluntary contributions. Above all, this requirement will severely handicap the efforts of the poor themselves, who seek to establish real grass roots organizations to fight poverty. We are sure that experience will demonstrate that those private organizations, which are as essential as the tax-supported organizations, will be the least able to comply with this 20% contribution towards the total cost of the program.

We question the broad generalizations contained in Section 105(a), on screening and selection, which can be arbitrarily interpreted, and which tend to discriminate against a particular group of individuals who may stand to benefit most from the opportunity to participate in the Job Corps program.

We endorse Section 111, Community Participation, which provides that the Director shall encourage and cooperate in activities designed to establish mutually beneficial relationships between Job Corps Centers and surrounding or nearby communities. We would hope that through this provision the types of programs which have been developed by civilian communities and nearby military installations would be developed for the Job Corps enrollee. We pledge to seek the cooperation of our constituencies in carrying out the laudable objectives of this section of the proposed Bill.

We also endorse Section 112, Placement and Followthrough, whereby the Director of OEO shall provide or arrange for necessary services to assist enrollees to secure suitable employment or further training opportunities, to return to school or to pursue their education, or to undertake some other activity having a career potential. We are pleased to note that already an effort is under way through Joint Action in Community Service, Inc., to assist the Job Corps graduate to secure the necessary services from public and voluntary agencies in getting a satisfactory initial and continuing adjustment in his community.

We believe one of the requirements of Section 221(c), namely, "to resolve all issues of cooperation and possible duplication prior to its (application for

assistance) submission" is unworkable and that this requirement should be eliminated.

We are pleased to note under Special Programs and Assistance, Section 222(a) (1), recognition of the fact that Project *Head Start* includes comprehensive health, nutritional, social and other services as well as educational services, and that it encourages the participation of parents of such children and promotes the effective use of parent services. In any extension of Head Start, such as the Head Start Followthrough, we feel it should embody the same philosophy and same services. We support continuation of the Head Start program under the auspices of OEO.

We support Part C—Supplemental Programs and Activities—Section 232, providing for research and pilot programs, but we recommend that the language be changed to provide that a minimum of 10% of the sums appropriated may be used for the purposes of research and pilot programs.

We are particularly pleased that the legislation recognizes and continues the Office of Economic Opportunity as the central agency waging the war against poverty.

We are in common agreement on these views and recommendations; the Catholic participants in the committee, however, wish to emphasize a special concern which is not shared by the Protestant and Jewish participants. The proposals before the committee in part will authorize family planning programs. The Catholic opposition to such program components has been presented to the Congress on several occasions before.

Thank you, Mr. Chairman, for the opportunity of presenting the views of the Interreligious Committee Against Poverty to your committee.

Reverend SCHULZ. We would like to read a telegram which the Interreligious Committee Against Poverty has sent Mr. Johnson regarding the situation our country has been in the last several weeks.

Dear Mr. President: We deplore the rioting which has resulted in the loss of human life and the destruction of property. However, it is vital that our nation respond to the deeper causes as well as to the symptoms of this agonizing unrest. America must not be diverted from fulfilling its promise. We reaffirm the philosophy and sound principles embodied in the "Great Society" programs. We hold that the minimum economic goal of the United States must be adequate food, clothing, housing, medical care, education and social security for every individual and family.

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However, let us begin now by strongly supporting and expanding the Economic Opportunity Act. Let us quickly pass other legislation now before the 90th Congress designed to ameliorate social and economic injustice. Let us seek full and adequate funding for these programs. Let us undertake immediate comprehensive action by government, with the assistance of the private sector, to move toward those goals which are desired by all compassionate and clear-thinking citizens. Let us dedicate ourselves to the creation of that equitable society which is the only real answer to social unrest and injustice.

Mr. QUIE. I thank you for reading that telegram into the record. The events that have occurred recently surely are in the minds of all Americans. Because of the concern that some of us have that in some way the desire to prevent rioting and the statements that are made on this seem to indict the entire Negro race. Congressman Goodell of New York and I prepared a statement today which I think it would be good to place in the record at this point:

We are gravely concerned over the events which are occurring across the nation. Screaming headlines daily relate details of riots, burning, looting and destruction. We are deeply distressed over the violence and destruction, as well as the tragic loss of life and the injuries sustained by thousands of our fellow citizens.

Beyond this aspect, we are deeply concerned over the anti-Negro sentiment which could develop from this summer of violence and rioting.

We urgently plead that the American people and the Congress not blanket the Negroes as a race. We must not generalize the blame for the riots on the people as a whole in the community. Whether the agitators are from inside the communities or come from without, the fact remains that only an infinitesimal number of Negroes are involved in the rioting, looting and destruction.

The vast majority of Negroes, like Americans everywhere, deplore and resent the wanton destruction to which their communities were subject in recent days. They prefer change that is rational and orderly. They deplore, as we do, the resort to arson, sniping and looting.

The example set by responsible Negroes is the clearest possible reminder of the obligation of every American not to indulge in false allegations or rumors or recriminations about the responsibility for riots. It is equally a pointed reminder that we cannot afford to forget those of our citizens who have been victimized by violence. Many who have little indeed have lost that little. They are the victims of a meaningless and self-defeating destruction, as some of our noted Negro leaders have recently stated.

It is the residents of the rampaged areas who pay for the breakdown in transportation, who lose jobs, services and homes. For the most part, they are the dead and injured. It is the Negroes in these gutted and looted areas who will do most of the paying.

We have confidence in Negro citizens. They are no different from white citizens in their desire for a good life for themselves and their families. Negroes recognize that they have a stake in their communities. They are against destruction for any purpose.

The vast majority of Negro citizens are constantly making efforts to upgrade and strengthen their home communities.

We must not allow the tremendous effort being made by the great majority of Negroes in these tragic communities to be overshadowed and forgotten because of a few irresponsible militants.

The irresponsible must give way to the responsible. Only then can we get on with the task of providing opportunity for a fuller life for all our citizens.

I thought it was important that people speak out in support of these people.

Rabbi Hirsch, would you like to make some comments now?

Rabbi HIRSCH. Except to follow up on the last thought of your own statement and that of Mr. Goodell's. I commend you for it. Being a Rabbi, I am very much impressed by homiletics and I like the phrase "the irresponsible must give way to the responsible." I would apply that, however, not only to the Negro community but to the white community as well. The thing that has disturbed me as a result of these riots has been that unfortunately the focus of Congress for the most part as well as the focus of the Nation as a whole, for the most part, has been on the riots and not on the things that society must do. I think that in a way it has been the society that has been irresponsible and I think what we represent is a plea to our Congress which is the manifestation of the good values of our society to help our society become more responsible.

During the last couple of weeks in Congress we have been hearing a great deal of talk about what I call the three R's of the last 2 weeks. We have talked about riots, rats, and rights. I think it is time we recognize a fourth right which is reflected in Congress and that is ruts. I think our society is in pretty much of a rut and the great promise that was held out to the Negro community in the 1964 Civil Rights Act and the 1965 act, in the Economic Opportunity Act, and the Elementary and Secondary Education Act—this great promise and the moral passion which accompanied have now given appearance of dissipating.

I think we have lost a great deal of momentum, and I think Congress reflects this loss of momentum, and to a certain extent without in any way condoning the violence, I think that the violence is a manifestation of that loss of momentum.

I personally have been very disturbed by the fact that neither the Congress nor, frankly, even the good voices, including our religious groups, have been so evident in the last year calling for the type of legislative action specifically that our society needs if it is to become a responsible society.

MR. QUIE. How do you account for the fact that the religious leaders evidently have muted their voices in the last year, since you speak for these groups yourselves? We have had a civil rights bill up here last year which included open housing. I felt very strongly about it and supported even the strongest version of open housing and still today would vote for such a bill, but yet it seems the voices are very quiet, not only in the Congress but the Executive.

RABBI HIRSCH. I agree with you. I don't even speak for my own group. I am giving you my own interpretation now. I think what has happened is that the issues have become much more complex. It was the issue of voting rights and of the Civil Rights Act of 1964 which was highlighted by title II of the public accommodations phase of it. Those issues were much more clear cut moral issues. Once we have passed that legislation and you get to the point where you recognize that the real problem of fulfilling these rights lies in the economic area more so than what heretofore had been considered the civil rights area in the narrow connotation of the term—once you get to that point then you get into a much more complex issue. Then it is no longer the South where it is easy to talk about somebody else's problems and to help decide what you should do about somebody else's problems. Then it is also the North and your backyard. It is easier to walk the 15 minutes as some of us did across the bridge in Selma than it is to build the bridge which requires 15 years between the races.

I think there is no one group in society that is to blame. I think our total society has now lost the momentum that we had, and I think it is deeply disturbing. I don't think that this present Congress has been too helpful. You might say that Congress is, in turn, a reflection of the people, which is, in turn, a reflection of what religious groups do and I would agree with you. I am not placing blame. All I am saying it is a great tragedy, you might call it the great American tragedy that society has not kept its promise.

To get back to the specific discussion this afternoon and now before your committee, the issue of the Office of Economic Opportunity, why we feel so strongly that this program must be continued and must be expanded even beyond the limits which have been determined by the administration, because we feel that this is a symbolic step as much as a practical step and that any attempt to detract from the program or to break the program up—which some of you gentlemen have been contemplating—we understand and appreciate your intentions, but we feel that any attempt to weaken, which will result in the weakening of the poverty program, will have the effect of only bringing about greater hopelessness and frustration. That is why we feel so strongly about this particular program.

MR. GOODELL. Would the gentleman yield there?

MR. QUIE. Yes, I yield.

Mr. GOODELL. I think it can be emphasized that responsible people can differ on the best way for setting up realistic programs which will help people help themselves and help those who can not help themselves. But it seems to me that one of the problems we have in society today is that these people are tired of symbols and they want some programs that have a practical effect which they can see and feel. Many of the programs we have today have mainly broken new frontiers but they need to be improved.

It bothers me a great deal that we always apparently have to paint these things in a black and white terms. If someone makes a suggestion for major changes with a view to improvement it is almost a paranoid defense. The administration and others come forward and say "You are going to destroy the program, destroy the symbol and everyone will feel we are abandoning it."

There are those in Congress who want to abandon it and kill it. Some of us who do not want to abandon it resent these allegations when we offer a program that will get \$3.5 billion committed to this program, about half of it Federal money and a very large amount of private money through the inducements which we have devised along with new suggestions for getting more State and local money. It does not seem to me that it is a valid statement to say that our proposals would be destroying the war on poverty.

Reverend SCHULZ. I would like to speak in answer to that, sir. I feel very strongly that the proposals which you have put forth in opportunity crusade would have merit, given a society of people who were as concerned about dealing with this problem as you are. But society is not that way. Those of us who have been deeply involved in poverty programs across this country see many, many places where the suggestions which you have made in this proposed bill just could not possibly be worked out to the benefit of the people who are really poor.

I would be the first to say there are a lot of places in this country where the poor have not benefited from the program that now exists and that is something we have to deal with.

Mr. GOODELL. Which aspects are you specifically talking about? Which aspects are not being utilized?

Reverend SCHULZ. I think that any time we turn over direction of programs to help poor people, minority group people, powerless people to State agencies or local agencies for their development of a program in terms of the type of control —

Mr. GOODELL. Most of ours do not. We have programs to induce the States to begin to come in. We have bonus proposals for States which are willing to and can get additional money for matching it at the State level. The community action program does not go through States. It remains a Federal to local program. This is where most of your innovation is. The Head start program does not go to States. It goes to the Office of Education through a broadly representative new board at the State level broadly representative of public, private, public health and welfare and community action agencies and then to the community action agency, not to the school system. It is handled once again under contract. I would like to know which program you are talking about. The industry-labor program is given to the Labor Department. A very nice generality which is being repeated. I am afraid some of you have seen the generality without looking at the depth of what we are referring to.

Reverend SCHULZ. I can be specific. I can name chapter and verse of Federal agency programs given over to State governments that are not run for the effective use of powerless people.

Mr. GOODELL. Which of our proposals are you unhappy with? Is it because they will give this over to the States?

Reverend SCHULZ. Let's take the program in terms of job training for labor programs. I think that any program that develops along the lines of maintaining the control for recruiting the individuals and placing individuals in the hands of either Labor Department completely, although I know it is there now under the present guidelines of the present act, or in terms of their followup services, and so on, is a program that is going to be very difficult to measure in success for poor people.

Let me explain this. One of the problems that the Job Corps has had has been the great level of antagonism placed toward it by people in areas because they did not understand what it was all about. They did not realize that young people with antisocial behavior in order to begin to develop something new had to have that monkey taken off of their back and moved out of the situation and moved away.

Your proposals which suggest that this is not the way it should be operated I reject because I know that the best part of the Job Corps is in fact the initial removing of the individual from the type of environmental situation in which he finds himself, take him away so he can start over again in a new situation.

Mr. GOODELL. As a matter of fact, you stated rather categorically I think that there is a very large area of disagreement in this situation. But our program is flexible. It talks about community training facilities to the extent possible. But it leaves it open and it can go a greater distance if this decision is made and it is in the best interests of the youngster.

We reject the the idea that it is absolutely necessary in all of the cases to assign them to a distant training facility. We have lots of experts who have indicated the advantages of being in the community area, maybe 20 or 30 miles away.

Reverend SCHULZ. Where are they going to find a job in eastern Kentucky?

Mr. GOODELL. We think there should be more flexibility. As a matter of fact, whether we transfer the Job Corps or not, your thesis is not going to hold apparently because OEO is now moving toward this. They have conceded that they think the Job Corps enrollees should be taken from a limited region or area and not sent these long distances. As I understand it, that is their new policy.

Reverend SCHULZ. I think probably it could work as long as their residential centers developed also.

Mr. GOODELL. Our proposal is not to eliminate residential centers. I doubt that a Job Corps center in eastern Kentucky or a good many other places in the country would be very viable.

This decision as to the area where it will be sustainable, has to be made in the State or the region. We are not saying in our legislation specifically where these should be located. As a matter of fact, we feel many of the Job Corps camps are poorly located. So we have the flexibility for vocational education people, the State people, and the private corporations if they are involved to make some changes here and make their own decisions.

Reverend SCHULZ. Most State public education agencies have done a lousy job with any type of vocational education. The whole trend of this type of movement, those States which in the past have tried to deal with some of these problems will continue to deal with these problems probably effectively and maybe Ohio and Minnesota are two of those States, but there are many States—

Mr. GOODELL. I am from New York.

Reverend SCHULZ. I am from New York. We have 900,000 functional illiterate people in New York State. We keep that down but we still have one of the best education systems in the country. What about a State that does not have the teaching resources, does not have the money or the tax base. They can't do this.

Mr. GOODELL. I wouldn't go back and forth with the dialog. We could argue this all day and all night. I fully agree with you that many States have been deficient in their approach to education and I would include New York in this because no State has achieved perfection by a long shot. There are many new innovations that take a while to get into a school system.

The point that I want to get across, however, in our proposal is not just to hand all of this over to the State school system or to the existing agencies at the local level. We even provide for a bypass of those States in those localities that are not doing the job. I just want to be sure that on the record there is full understanding of just what our proposal entails.

Rabbi HIRSCH. What is your proposal exactly, Mr. Goodell, in connection with the Office of Economic Opportunity itself?

Mr. GOODELL. Our proposal would transfer the Office of Economic Opportunity, the Community Action phase and the VISTA phase into a new division of the HEW with an Assistant Secretary at its head. This, presumably, would be called Community Development, Community Action, or whatever else. We would strengthen the requirements for involvement of the poor at the local level in the Community Action agency and in the neighborhood boards. We would put in a number of guidelines. It would be administered from HEW directly to the Community Action board established under the present law at the local level. The State would not be involved.

In addition there would be \$100 million for what we call a bonus program to match any State money if a State wants to put more into community action than is available in our total appropriation.

We would completely un earmark the Community Action funds. There would be no earmarking for narcotics or legal services or all of the other things down the line. This would be a matter for the local Community Action agency to determine to set its priority, to try to get coordination which we feel is sadly lacking.

In the present program we would set up a new Council of Economic Opportunity Advisers in the Office of the President. They would be advisers to the President. It would be three men comparable in stature and pay to the present Council of Economic Advisers. We would give them an ample amount of money and they would be charting the course of the war on poverty, completing the data and information needed, doing the research and contracting for the research which is needed. This would give it a very high level in Government, right on the side of the President, recommending to the President and Congress ways of

coordinating the existing programs, strengthening those that deserve strengthening, and eliminating those that deserve elimination.

That is basically what we would do with OEO.

Rabbi HIRSCH. I was familiar with the broad outlines of it and I appreciate your refreshing our memory on it.

To get back to my comment which originally stimulated your comment about the symbolic significance. Neither our groups individually nor our groups collectively in the Interreligious Committee Against Poverty have taken any specific positions on specified delegations of authority. When I talked about symbolic significance, I think we have taken a position on that; namely, that we think there is great virtue and great advantage in the fact that there is an agency that can be more or less called the headquarters of the war on poverty. The thing that we are concerned about in connection with your proposals is to transfer this agency which has, despite the many problems and in some instances the legitimate criticism of the agency, has nevertheless drawn to the public attention the fact that there is such a phenomenon as poverty in our society and has also stimulated discussion and in some instances many fine programs to ameliorate that poverty.

To take that agency and transfer it and make it a subdivision of an existing agency, we feel, would be to diminish the significance of the agency. That is the part that I was referring to earlier.

MR. GOODELL. What function do you think the Health, Education, and Welfare Department has? If I had to sum up the problems of poverty I would sum them up in Health, Education, and Welfare. One of the reasons we want to transfer this to that agency is not only to give it the coordination with existing programs in this field but also to begin to induce into those existing programs, spending anywhere from \$45 to \$50 billion, depending on how you set your standards in poverty-oriented programs, this concept of the involvement of people themselves into those existing programs.

If we can't begin to transform the approach of HEW where we are spending all of this money, most of it coming out of HEW, we feel we are going to fail. So let's start doing that and let's make HEW the headquarters for this.

MR. HAITHCOCK. I think that is one reason our contention is against the dismantling of the OEO. You have had an experience here of innovation and experimentation that you are saying you are going to now apply and put a program into an established agency. That is our contention of keeping OEO intact because of that basic innovation and experimentation and demonstration it has been so successful that has contributed to the development of Headstart.

Without that preliminary demonstration and research which was attributable to OEO and the impetus that was given through OEO it would not have been possible. It had not happened before in the educational or health agencies.

MR. GOODELL. That is a good, valid point that we have had some innovation in OEO that we did not have in these particular areas before. But let me say that this is not conclusive at all in terms of what these agencies can do. We have had multiple examples, of innovation in existing agencies when the President and Congress have requested and given them the charter and the direction to do this.

You can't blame the Office of Education for never having a Head-start program because Congress never passed a program for preschoolers. Mr. Quie and I have been urging it since 1961. We never had a preschool program with appropriations so the Office of Education did not have this option. You can't blame the vocational educational people for not having a Job Corps. Again Mr. Quie and I suggested in 1961 that this be done. We finally got an experimental one in the Juvenile Delinquency Act because of the sympathy of Mrs. Green on that subcommittee. However, it was never funded. So you can't blame these agencies because Congress never gave them the authority and direction and money to set up the program.

Mr. HAITHCOCK. It is just that it did not come about until OEO was established.

Mr. GOODELL. The question we have between us really is, was the creation of OEO incumbent upon the proposal of these programs and necessary to their success. I don't think it was.

Mr. HAITHCOCK. You had the flexibility and freewheeling nature to operate in this administration which contributed to it.

Mr. GOODELL. There is an honest difference of opinion here, but I do think it is a little unfair to condemn, across-the-board, existing agencies since Congress and the American people never gave them the authority or money to do anything in these areas before.

Reverend SCHULZ. I would like to speak to this because I think this is at the heart of the whole bit, from what I gather from the conversation going on.

The whole heart of the matter is: What about the man at the local level: What about the poor man who is going to receive these programs? What does he think about HEW, or the Department of Labor? That is the real question. How does he get affected by this program? Where can he go to relate to this program?—and so on.

Let's take the title V programs. I really wish Mr. Perkins were still here; although we have heard about title V programs this afternoon I have some real questions about the operation of this program. I know there are some differences from HEW in the room and the concern I would raise about the program is administration, and it is because HEW does not have the staff to do the job. The way title V programs have been administered in many parts of the country leave much to be desired. They become almost less than welfare in the worse sense of that word, in the sense that you hand out doles.

Yet in the same areas where title V programs are being administered there are CAP agencies which are in a sense the ear of the poor. There are places where the poor people can come and gripe about these programs and have a part in determining them. In one area for instance, in eastern Kentucky, where title V programs are being administered, there was quite a groundswell of people who were concerned about the fact that although they recognized—and they deeply recognized—they had to have this money to live, they had to have it and the conditions made it impossible for them to do anything different than to receive these funds, that they weren't getting the type program they wanted. When we worked this through going through the vast bureaucracy of HEW and it is difficult to get through that vast bureaucracy, even for a professional, in the sense that I am a professional, and found out they couldn't keep their hands on this because they did

not have sufficient staff. If that had been administered through CAP, I think these people would have felt they were more a part of this program.

Mr. QUITE. It was interesting to me that I find the bureaucracy in OEO much more difficult to cut through than HEW. We have just an impossible time. Take, for instance, a program in my district where the Indian Bureau had been funding transportation for Indian children. They told them in May 1966 they were going to quit funding it because the money is available through OEO or the Office of Education. So they put in a request in August 1966 to OEO but they never got the money, they were only dragging along. They were finally funded after I took it up here on the record, just about a week and a half ago. This has happened over and over again—fantastic—and our records are just replete with that fouled up chaos in the Office of Economic Opportunity.

Mr. GOODELL. I might say you wouldn't get many defenders of the bureaucracy in HEW, but you will get fewer defenders in Congress for OEO. We can't get answers from them. One moment they indicate you are going to get so much money and then it is changed. They do it by telephone. They don't have an administrative procedure that anybody can understand. There is conflict within the agency. They are still doing crash programs on an idea that confuses innovation with spontaneous spending and this has us in Congress really worked up. You talk about symbolism. If we are to have the amount of money going to help the poor, that I think we would agree is going to be eventually necessary, we must have an agency administering this program which has the confidence of Congress and the American people, not just a symbol to the poor that it is going to stand up and fight for them. That agency at the moment, and it is going to take a long while to resuscitate their image, is not OEO.

Rabbi HIRSCH. That is the heart of the issue and let me address myself to that. I think it is true that any institution sooner or later develops bureaucratic mannerisms, including our religious institutions, I will submit.

It is also true as you have maintained that if Congress and the Nation had the will, we could perform the same job under any rubric whether it is a new agency or an existing agency. I think the thing that disturbs me, and I think I can say "us," you have indicated that the poverty program is not in good shape in terms of the moral support that it has from the public at large. If I were convinced that the program that you gentlemen have formulated would, in effect, launch a broad, new comprehensive offensive against poverty, which offensive would be able to gather the support of the American people, then I think there is something to talk about.

But, if as it is, being interpreted in many quarters and maybe partially it is the fault of those who do the interpreting, and maybe it is partially due to the fault of those who do not want to hear. I am willing to concede, as you indicated earlier, that there are both political and practical problems involved in that; but when your program is presented, it is interpreted in many quarters as being a way of cutting up the agency, diminishing its suggestion and, in effect, cutting down on the war against poverty. I know that is a problem we have to fight about.

Mr. GOODELL. I agree with you. That is why I took the trouble to go into the details of what we are suggesting. I am optimistic enough to think that you might lean possibly in favor of the opportunity crusade or at least you would go away knowing that it will not do what in oversimplified terms the administration wants the people to think it will do. It will not just eliminate OEO period, and hand everything over to the existing agencies, period.

Throughout the opportunity crusade are some new innovative ideas and programs, requirements to induce the concept of the involvement of the poor into these programs, requirements to begin to integrate facilities so you don't have boys and girls going to Job Corps camps labeled as misfits, and rejects; proposals that will get effort at community levels and an opportunity to give people a continuum when they go into these facilities, from testing and screening to the training and placement at the end instead of dropping them when they get out of the Job Corps camp.

Coming back to the original discussion of Job Corps, this is the reason that we feel the community training facility and this concept are so important. As long as you take youngsters and send them great distances away when most of them want to return—85 percent by the statistics go back to the original area—you are going to have this hiatus when they get out. You have to refer them to somebody. There is a tremendous dropout here that is extremely serious.

There is no continuum. They have not been planned for in that community and there is no agency that has the responsibility for it.

Mr. HAITHCOCK. To the point that there is no agency, perhaps you are familiar with the organization which recently went into business with a contract of OEO—Joint Action Community Service. They are now operating and there people being referred to JACS and people are bringing in its organization community groups, a broad gamut of community groups and representation on a local level, volunteers.

Mr. GOODELL. I am familiar with JACS and I commend the religious groups for working and cooperating and trying to help fill this void but again it is an improvised approach that is not going to do the job. It will help. Everybody who can get into this will help but you need to set up in the structure a continuum so you have your business groups and labor groups and all of your community groups and local officials and educators involved in the process at the community level.

Mr. HAITHCOCK. I think JACS structure would include bringing in business groups and the chambers of commerce and the mayors and the church groups and councils of social agencies and representatives from virtually every segment.

Mr. GOODELL. I concede, theoretically that in 2 years you can set up a structure along these lines and if it really takes off it would begin to fill this void effectively. But even then you are going to be laboring under the awkward difficulty of having youngsters coming from Job Corps centers far distant whom you don't know, whom you have not interviewed or tested who have graduated or terminated and are referred to you. Then you have to pick them up at that point and begin to understand them, look over their qualifications, and then begin to find a place for them. If it is a community facility, in the first 2 or 3 months you have made sure that they are going to meet the job opportunities in the areas where they have some interest, and where

they are getting skill training. Throughout the period they are there, they can be interviewed and tested and when they get out of that facility the job can be ready. When it is that kind of a community effort, it seems to me, the structure is set up to be much more efficient and effective and you never, at any stage, drop this youngster who should not be dropped.

Mr. HAITHCOCK. That is right; he should not be dropped and that is the mechanics of the JACS administration. His name moves along lines of channel communication and he is not dropped from the time he leaves the Job Corps until he gets home.

Mr. GOODELL. You have emphasized channels of communication, and that is not enough. You can make a very good theoretical case right now on paper that there are channels of communication for these youngsters. When they terminate a Job Corps center there is a communication. It goes to the regional office of OEO—the regional office has the responsibility for following up.

Mr. HAITHCOCK. There is a JACS man in that OEO office.

Mr. GOODELL. I will keep an open mind that JACS may be able to fill this void in the future but we have now had the Job Corps over 2 years and you can not contend that this has been done effectively up to this point.

Mr. HAITHCOCK. We have just been in business a few months.

Reverend SCHULZ. I would rather not get hung up on JACS. I happen to be secretary of the board of directors of JACS. We felt that there was a problem with the program but, frankly, why can't you deal with it in the concept of the rest of the program? Why do you have to have a whole new act? We have felt, and I think Rabbi Hirsch will agree, that this aspect that you are talking about should have been written into the legislation but the Members of Congress saw fit not to do it.

Mr. GOODELL. A lot of us were talking about this in 1964 and have been talking about it since. It is only a changed situation in Congress, and I don't mean to be cynical about it, but it is only the changed situation in Congress that now dictates that they listen a little more to some of the criticisms and suggestion of a constructive nature that are being made.

This has been a very serious deficiency of the Job Corps. You ask why we need a whole new program. Our program is to transfer lock, stock, and barrel the administration of the Job Corps to the Office of Education with full authority in the Office of Education for the next 3 years to keep all of these facilities open with 100 percent Federal funding and to begin to work out a transition where they do move toward community training centers with residential facilities for the Job Corps-type youngsters.

It provides a transition period. It provides for the continuation of those Job Corps centers which in the opinion of the vocational educational people are deserving of continuation. It is not a complete new act. It is to begin to move in this direction and some time as President Kennedy put it in 1961, let us begin.

Rabbi HIRSCH. Just to summarize this part of the discussion, I am afraid some people will interpret the passage of your program as being, let us start ending, and that I think is a great danger, and that is where the symbolism comes in.

Mr. GOODELL. I will be the first to concede to you that some people will interpret it that way because the lines are being drawn that way by those who have a great deal more of a platform with which to speak to the American people. They want it drawn as an either-or proposition, either you are in favor of doing something for the poor or you are against doing something for the poor. You are either going to continue OEO or you are going to destroy and undermine the program. They don't want a debate about new ideas.

Reverend SCHULZ. What are the poor saying?

Mr. GOODELL. The majority of the poor are very unhappy with OEO.

Reverend SCHULZ. Then you and I don't talk to the same poor. Poor people are cynical about the Federal Government's involvement and lack of commitment, the failure of the Federal Government to set the proper priorities, the Federal Government's involvement in Vietnam. They are cynical about a lot of these things but most of the poor people with whom I have had conversations and it is all over the United States have been very, very hopeful and they still are about the programs being run through the agencies under OEO.

Mr. GOODELL. Congress is rather skilled at phrasing questionnaires. Perhaps we could draw up one which would ask such things as "Are you happy with the programs under OEO?"

I think a very large number of them would say no. If you ask them a question which I think would be fairer in the whole contention, "Do you think we might get better action in the whole approach to Government here if we began to make changes in the welfare program?", most of them would attack this program strenuously.

If you began to make changes in the whole educational structure, if you began to give the poor themselves a voice in these programs and infuse this concept and transfer that program of OEO into HEW and begin to change HEW, I think you might very well get a very positive answer from a great many of them.

Most of the poor are getting it in the former terms and are not understanding in those terms.

Reverend SCHULZ. I think most of the poor would feel their experience with other governmental agencies outside of OEO has been very poor. They are against Government itself because in some way it represents the power structure of which we are a part.

Mr. GOODELL. You have made a statement with which I agree. I think most of them feel their experience with existing agencies is worse than with OEO. There is no question about that, but the debate really we are talking about here is what is the best way of redirecting this program and improving it and beginning to change the existing programs with which not only are they unhappy but with which many of us are unhappy.

Reverend SCHULZ. I don't think an Assistant Secretary in HEW is going to do it.

Mr. GOODELL. I don't think OEO is going to do it.

Reverend SCHULZ. We have seen lots of signs that they are moving very rapidly.

Rabbi HIRSCH. The difficulty I find with your proposal, you are presenting this proposal as what might be considered a severe critic of OEO yet you are projecting the proposal in a manner that you want the OEO which you have just criticized and which you have just transferred to a different status in another agency.

You want that new agency or that new status and that criticized by you now to work miracles over this tremendous bureaucracy when the very opposite is liable to happen. Taking whatever approach the OEO has had, and I know that you do ascribe certain positive aspects to the program, taking that approach and putting it into an agency is going to undermine its innovation because of the very reasons for which it was put in there to begin with; namely, that it was being criticized.

Mr. GOODELL. Of course, I would not accept that description you give. I believe I am a very severe critic of OEO and I think the criticisms I have made in each instance have been documented by facts. I have not cited rumors and newspaper stories and things until we have checked them out. I think the facts we have accumulated over this 3-year period make a very good case for a severe criticism of OEO. Also, I have always personally believed, long before the war on poverty, in a preschool program, we didn't call it Headstart, in a Job Corps type of thing, in residential skill training for these youngsters in their teens who have to be removed from the environment. I have believed in involvement of the people to be served, and from the very outset of the war on poverty criticized the community action phase of the program because it did not have a specific requirement that there be a minimum involvement of those to be served.

All of these things should be said in balance to what you said about my being a severe critic of OEO, the administration of OEO, the administrative concept of an OEO, and the fact that we charged them with something which I think it was impossible for them to implement. We asked them to coordinate existing agencies of Government without any authority to do it, except to call the various people together in the Cabinet. There is hardly—in fact I don't think there is a single Cabinet head of a department, who does not have similar authority in these areas of social concern.

The Secretary of Labor has the authority from the President to call together all of the heads of agencies affected by his programs. HEW, HUD, Labor, each one. The question is how do you coordinate and how do you get this new direction of programs that will begin to have an impact.

Well, we could discuss it for the entire afternoon. If you gentlemen have any further comments please make them, any further items that have not been brought up. You can have the last word with me.

Rabbi HIRSCH. I would like to make one comment and that is since you have set the record straight and talked about the things you approve we also ought to set the record straight so you know we do not consider ourselves 100-percent supporters of everything OEO has done.

As a matter of fact, some of us have been among the severe critics on some specific issues.

Mr. GOODELL. We can both be severe critics though.

Rabbi HIRSCH. The one thing that is essential and important and what I would like to leave with you is that all of us feel it is important to maintain some kind of momentum on the idea that America is determined to eradicate poverty. We are not experts on exactly how that should be done but we don't believe that transferring a function to another agency is necessarily the way to do it.

If that transfer were to be accompanied by the infusion of \$10 billion for example, a year, which would be a symbolic gesture. That would symbolize a brandnew attack, a more comprehensive attack. If it were to be accompanied by some important significant new proposals, if it were to be accompanied by the passage of rent supplement, of antirat legislation and a host of other things, improvements of social security amendments—

Mr. GOODELL. Let me question you on that. You have raised another point. Under the present community action program, rat eradication functions are eligible for funds from OEO.

Any local community action program can have a rat eradication program with funds 100 percent from OEO if that is the local priority.

I am very much for rat eradication. They have programs in many of our biggest cities that were started under the community action program. I do get concerned that when we have a problem and it is a very serious problem, and I deplore the fact that it was ridiculed and laughed at on the House floor but I get concerned that as a solution somehow we jump to the magic of bringing in a bill, setting up a new program, a new subagency to administer it and specific categorical grants so we can apply for a rat eradication program there.

Why can't this be handled by local community action agencies who set the priorities and decide that rats are a serious problem to our people. Why cannot the local poor in the slums say that is one of our highest priorities?

Why do you need a new categorical program with only \$20 million in it which is totally inadequate to do the job? It just gives the impression you are going to do something when you are not. This again contributes to the cycle of cynicism, frustration and resignation of the poor themselves.

Rabbi HIRSCH. I don't know the answer to that. I am not that much of an expert on rats or on the legislation. I think it can be done under the local community action program.

I was in the middle of proper oration and you cut me off but I wanted to indicate that the passage of the administration's proposed legislation is not nearly enough.

It certainly is not adequate to do the job. It is not even symbolic, I would say.

Mr. GOODELL. You say if we go to the \$3.6 billion.

Rabbi HIRSCH. We talk in this testimony about \$3.6 billion. I don't think that means too much, frankly, if it is not accompanied by a whole host of other acts, and I don't see too much prospect for those other acts.

Yesterday the President called for prayer this Sunday. Well, we believe in prayer, those of us here. I just told a few of the fellows outside earlier that my first reaction when I heard that call was to remind myself of the story in Exodus where the children of Israel leave Egypt and they come to the Red Sea and Moses looks up to God and he calls on God to help and asks for salvation.

God turns to him and says "Whyfore cryest thou to Me? Speak unto the children of Israel that they go forward."

Mr. GOODELL. Isn't that the point where God opened the Red Sea for them and they went forward?

Rabbi HIRSCH. According to legend God opened it only after they had gone up to their nostrils so we have to take the first step and I

don't think we have even gotten our feet wet, to continue the analogy and to continue the metaphor. I think it is about time we started moving forward in to those wastes.

Mr. GOODELL. I would agree we must move to the point where we get something higher. The President has moved to a billion dollars. He said we are not taking money away from the war on poverty because of the war in Vietnam. We are not sacrificing programs for the poor because of the war in Vietnam and this has been repeated by a great many others. I think the fact is without any question that when we are spending \$30 billion a year in Vietnam with the fiscal situation the way it is, you are not going to appropriate \$3, \$4, \$10 billion for a war on poverty.

But I will give you another fact from my judgment that you would not increase to that level in this Congress today if there were no war in Vietnam, if the money were given to OEO. This is the point I think that has to be understood by some of those who want an escalation of the war on poverty when the time comes when we do have the money.

It has to be escalated through agencies in which Congress and the American people have some confidence. It cannot be escalated by just handing it back to the same sort of programs.

Some of us are trying to provide the transition that we feel is necessary here to permit that.

Reverend SCHULZ. We appreciate your candor, Mr. Goodell. I think the thing that I would like to leave is if we think about this in really honest psychological terms, in terms of the psychological effect that all of this has on people and so on, we have to realize that most poor people understand the political implications of what is going on in the Congress vis-a-vis programs designed to assist them, and even if they don't understand the implications they know enough to know that if you rock the boat too much you might fall out and with things as they are, even though they are not as good as they might be, it might be better than they will be, and when the Government itself is asking for \$2.6 billion, this sounds better than \$1¾ billion even though I admit you have said this could be expanded or doubled.

Mr. GOODELL. It is \$2.06 billion.

Reverend SCHULZ. I feel very strongly about two things. Many of the poor, and obviously we have not talked to the same people, even though they have problems with Federal bureaucracies and so on know there is a relationship between their problems and the field staff of OEO, CAP agencies, district people and so on. They have never had that feeling with any other Federal agency.

People in the South never even knew, many of the poor people, knew there were extension services there, but now they know there are some poverty people in the South where they have allowed it to operate. I think with all of the feeling of depression and frustration and so on, I think it is important that we not turn this aside for political reasons. We have to move ahead.

I don't think we have given it enough of a chance. I think there is real hope here. I would be the first one to admit there have to be changes and there is documented evidence in writing.

Mr. GOODELL. Why do you say the changes are for political reasons?

Reverend SCHULZ. I think it is rather obvious.

Mr. GOODELL. I think you had better elaborate. That is a rather serious charge. You are saying that it is based on a political motive and I think you are using it in a bad sense when you say "political reasons."

Reverend SCHULZ. Expediency, and so on.

Mr. GOODELL. You are charging us with expediency.

Reverend SCHULZ. I am saying the mood of the Congress at this time in history to most disinherited people is interpreted as a mood of political expediency.

Mr. GOODELL. I don't understand that. How is the mood interpreted to be politically expedient?

Reverend SCHULZ. Don't take this personally. I am not referring to you. I am talking about the Congress.

Mr. GOODELL. I will accept that it is not personal and I appreciate that it is not personal. However, I think it is quite a serious allegation to charge the Congress itself at this stage with political expediency. That is even stronger than charging for political reasons.

Reverend SCHULZ. Seriously now, people don't want their taxes raised, people are concerned about who might move in next door.

Mr. GOODELL. Are you using political expediency in the sense that Congress is going to make these changes because the people want them made?

Reverend SCHULZ. I guess actually what I am charging the Congress with is the point at many times and I believe this is true of the poverty program they are reacting to the strong feeling that has come up from the people who sit in the pews of our churches and synagogues across the country who are our constituency and yours and because of political concerns they have in their relationships are not taking a moral stand on some of the issues.

Mr. GOODELL. I have faith in the political process and I don't think that a Congressman or Senator should automatically respond to every whim and wish of the most vocal part of his electorate but I think the general feeling of the greater percentage of the electorate is a good guideline.

The best evidence we have is the polls and the contacts we have with people back home. I don't think it is political expediency when two-thirds of the people feel we should have a war on poverty. This is the best poll evidence we have. But a like two-thirds of the people feel that this administration's war on poverty is a bad one, and that it is not being administered effectively.

Reverend SCHULZ. It depends on what poll you read.

Mr. GOODELL. This is a factor that, I will agree, all the Members of Congress are responding to, but I think it is not based on just total ignorance and there are a few intelligent, knowledgeable people who know better.

We have pretty solid documentation of the poor administration of this program.

Reverend SCHULZ. I have pretty solid documentation that the services are good, such as the legal services in New York.

Mr. GOODELL. I think the legal services program, after a shaky start has been well administered, largely because in that instance—and this is an interesting irony in itself—they consulted and chose a director from the American Bar Association and worked through the American

Bar Association and the local bar associations to set up the program. They administered it throughout with the complete coordination and cooperation of an existing institution of which I am a member and which, if you choose, represents the establishment. No organization is more of the establishment than the American Bar Association and yet this program has been very effectively administered.

Mr. HAITHCOCK. I would like to conclude with the thanks and appreciation for the time you have given us and for your participation of your position on these matters.

Let us just not dismantle OEO yet.

Mr. GOODELL. Let's at least leave in good spirit, understanding the good intentions on both sides with reference to the proposals that are being made. Even if you can't buy the idea of eliminating OEO at this time, I hope you will give some support and attention to, and discuss some of the other innovative proposals we make in the opportunity crusade that are largely ignored because of major controversy on whether to eliminate OEO or not.

I thank you for your testimony. Your dialog has been most provocative and helpful to the committee.

Mr. QUIE. In listening to my colleague and his excellent questioning of the witnesses I think the exchange which has occurred here has been very fruitful.

I would like to make the point that it seems to me outside of the symbol that you are making a plea for that you recognize the need of community action involvement of the people who are to be helped by these programs.

I gather there is a strong desire to expand this to the \$30 billion the Government uses to help people in poverty outside of OEO. Of course, action in the future could affect that. I would like to have you think every way in which this transfer and this infecting of the existing agencies can occur. This is one of the main features that we have recommended this change to bring that about.

I see from last year and the apparent attitude this year that more and more programs would be earmarked giving less and less discretion to the local community and that if all the community action agencies have is enough money to hire staff, they are not going to be very effective as an organization and we would like to see them be much more than that. I think the real genius of the war on poverty has been this recognition that something has been lacking in these programs of the poor and that is the lack of involvement of the poor.

So Congressman Goodell and I have long been strong advocates of this as we have seen it function.

Reverend SCHULZ. We support this maximum feasible participation in our testimony.

Mr. QUIE. I hope you will look for ways that this can be included in other programs of the Federal Government.

I thank you for appearing before us and I hope we have not caused you to cancel any airplane reservations.

Our next witness is Mr. Blue Carstenson of the National Farmers Union. It is a pleasure to have you before us. We have a statement of some size which, in going over it, I think is excellent testimony. Do you want to make this a part of the record and ad lib, particularly if you ad lib faster than you can read.

Mr. CARSTENSON. I would appreciate not having to read it at this late late hour. I would like to hit just a few of the high points.

(Mr. Carstenson's statement and statement of Tony T. Dechant, president of National Farmers Union follow:)

TESTIMONY OF NATIONAL FARMERS UNION, BLUE A. CARSTENSON, ASSISTANT
LEGISLATIVE DIRECTOR

The National Farmers Union has been more deeply involved in the War on Poverty than any other rural organization. It was our former President, James Patton, who led the delegation to President Johnson and urged him to declare that war which he did, right there and then.

The National Farmers Union and our state Farmers Union organizations have invested large amounts of time and money in the War on Poverty. We have lobbied and worked hard at the local, state and federal levels for all types of OEO programs. We have tried our "darndest" to help make this program effective in rural areas.

In four of our states, we have undertaken Neighborhood Youth Corps programs which have been well received, well run and are reaching young people from low income families who need the help, encouragement and income from this type of program. We have in-school Neighborhood Youth Corps programs in northern Wisconsin, and southern and central Indiana; and we have out-of-school and in-school Neighborhood Youth Corps programs in parts of Arkansas and Illinois except Cook County and several other urban areas in Illinois. These programs have been helping the young people from families who live in hardcore poverty.

In Illinois, our Neighborhood Youth Corps program is helping young people who have been referred to the program from the youth authority. We have had wonderful results in giving these young people, who have been in serious trouble, a second chance.

In Arkansas, which is our oldest Neighborhood Youth Corps program, we have already been able to see the results of our work with young people going on to college, business or vocational schools, jobs or into the armed forces. We have been devoting additional time and energy now to counseling and job placement.

One case in Arkansas, which just happened, gives an example of what impact this program can have. A young girl who came from a very poor family said she had felt that she wanted to drop out of school, although she had no plans on what to do. With counseling she was encouraged to reach for her dream. She is now enrolled in a Presbyterian Seminary with the aid of a part-time job, a loan which will enable her to work to become a Missionary and church worker.

These young people have worked hard, and we feel that because of the attitude of our staff and our farm organization about work, our young people have not been criticized for loafing on the job. They have helped schools, hospitals, local community agencies, local Government programs and projects. We have hundreds of local user agencies and schools and they are satisfied with our operation. While we have been harassed by some OEO officials who feel that local Community Action Agencies should have these programs, the Neighborhood Youth Corps program staff, Labor Department and local officials and Community Action Agency leaders have supported us all the way. We are proud of our record of our Neighborhood Youth Corps program.

The National Farmers Union has sponsored the National Green Thumb program which is operating in seven states—Arkansas, Indiana, Minnesota, New Jersey, Oregon, Virginia and Wisconsin. We are proud of our Green Thumb record and the complimentary things which members of Congress have said about Green Thumb.

President Lyndon B. Johnson said "Hundreds of older unemployed and retired farmers and rural workers have gained in income and in dignity, while contributing to the safety and beautification of state highways, schools, parks and rural towns through projects like Operation Green Thumb. They have assisted their disadvantaged neighbors to improve their homes and have added their skills to enhance neighboring communities.

"I have asked the Director of the Office of Economic Opportunity in cooperation with the Secretaries of Labor and Agriculture, to expand this activity and to develop new ways to provide meaningful public service opportunities for the elderly in rural areas."

Mrs. Lady Bird Johnson said "There are many older farmers who through no fault of their own have suffered adversity. Unfitted for other work, they face deprivation and poverty in their declining years. What an opportunity is presented here to provide them with useful employment for which they are fully qualified and, at the same time, to beautify our highways for the benefit of all our people."

It has been said that National Farmers Union in anti-CAA, but those who say this are unaware of the thousands and thousands of hours of staff time and the time which National Farmers Union has invested in trying to aid leadership in Community Action Agencies. Working cooperatively with the University of Wisconsin, we launched (with an OEO grant) the first training program for Community Action Leaders and they have spent much time and energy to see that about 80 percent of these men, who were trained actually organized CAAs or became involved in Community Action Programs. We have and are working closely with Community Action Agencies, especially in Illinois, Minnesota, South and North Dakota, Indiana, Montana, Oregon, Iowa and a number of other states. Many of our local leaders serve as members of CAA Boards.

Because of this involvement and the effort we have given to the program, we feel obligated to the Congress to be critical. The following is a statement which was discussed at length by our Policy Committee, our National Farmers Union Board, our Green Thumb Board and Advisory Committee, and by the Delegates. This position is not taken lightly and this has been done with prior discussions with a wide range of OEO officials and others involved in the War on Poverty.

"We commend our Farmers Union leadership for helping to carry out effective War on Poverty Programs in rural areas, including the Green Thumb and Neighborhood Youth Corps programs. However, most war on poverty programs of the Federal Government with few exceptions do not give equitable attention to the problem of poverty in rural areas where nearly half of the poverty exists.

"Farmers Union is deeply disappointed in the failure of the Community Action Programs to reach rural poverty with quality programs and with an equitable share of programs. Those Community Action Agencies in rural America have been inadequately supported, inadequately aided with good technical assistance and often misdirected despite the voluntary efforts of tens of thousands of persons. We call for the reorganization of Community Action Programs in rural America so that they may better serve rural areas. They have raised hopes but have failed to deliver.

"Whenever possible, beautification efforts should employ low-income persons to enable our limited government resources to do double duty. Farmers Union's experience in the Green Thumb project shows the use of low-income farmers in beautification projects as effective and desirable as a public policy. We urge the expansion of the Green Thumb and job development programs. We support the Neighborhood Youth Corps program. We support the revision of the public welfare system replacing much of public welfare with part-time and full-time community service work programs. This is a preferred way to bring low-income families out of poverty. Those remaining, who are unable to work (sick, disabled, young, and the very old), should be able to live without hardship and with dignity."

Unfortunately, we seem to act as if rural America would disappear into urban America. Since 1920, rural America has remained at about the same population level despite the vast influx into the cities. At the present rate of our migration, rural America can continue to supply the cities for many, many years and generations ahead without reducing its own total population. During this decade, rural America can supply a net surplus of 44% in population. For every 100 males who retire, die, or are disabled in the labor force in rural areas, 177 new young men will be entering the labor force. Ignoring rural poverty or supply hundreds in the form of food stamps is not the answer. We believe in the food stamp program and have done more than any one else to pass and expand this program, but it is not the solution.

Rural America has been the great generator of America, generating the talent, the brains, the leadership, the illiterates, and the poverty stricken who have moved into urban America in ever growing numbers during the past century.

For the past two thirds of this century, we have shipped people to the metropolitan areas which have become less and less attractive places to live—traffic, crime, riots, air pollution, water pollution and noise. It is no wonder most Americans would rather live in rural areas and smaller communities as shown by a variety of opinion polls. With foot-loose industries and modern communication and transportation, rural America should during the last third of the Twentieth Century move ahead to not only keep its young folks, but also attract the best of the urban population who want to escape the cities. We need to make it possible for most family farmers to continue farming and other farm youths and adults to remain in their communities. We are already creating a new way of life many rural areas, and we need to look at the best of this life and develop and encourage it. We don't have to force everyone to live in metropolitan areas surrounded by

factory or industry. We should allow people to live in pleasant surroundings spread out over the land.

Today, in the modern rural industry, according to a USDA study of selected rural industries, three out of ten of the workers live on farms and from ten to thirty percent more live in open rural areas which are not farms. Up to one-fourth of the workers continued farming.

For the past thirty years from twenty to forty percent of total farm family income has come from non-farm jobs, depending on the farm prices. We need a diversified rural community with a sound agricultural base.

Riots and poverty

Poverty is an underlying factor in these riots, but Farmers Union has never promoted the Economic Opportunity Act as an anti-riot first aid. This under estimates the power, the hate, the intensity and the factors involved in these riots. The War on Poverty is a human act which should raise the quality of life for human beings and hence improve the lives of all of us and strengthen our nation.

Those who have said give money to the War on Poverty, and we will go into the ghettos and prevent or stop riots are wrong and must be doing some soul searching. We are deeply saddened by these riots but not surprised. These riots are our first national riots. The social psychologists will rewrite their textbooks. Classically the contagion of riots was spread from person to person. This riot was spread by television. The interviews and the action pictures burned through the nation awaiting only small, meaningless, or normally ineffective action to trigger off the riot which was already in the hearts and minds of both whites and blacks.

The tensions were already present in our cities. The Detroit Metropolitan Study interviews from the University of Michigan found greatly increased fear among the white population in Detroit. Community organizers working in Detroit told of tension and hostility on the increase in what later became the riot areas. There is little doubt that those militants who cried on "Black Power," get the whitey police" and "overthrow the white power structure", aggravated the situation. The organized groups stimulated and used the situation. Such wide spread mania and irrational acts can not be explained simply by an arrest of a single driver, a very poorly planned and badly executed raid on a well known old "blind pig" operation, or a speech by a bitter young man. Other cities needed no excuse but simply erupted in irrational acts of hate toward the community and society.

What is the reason? The acts of any one single person or group is inadequate. Black Power groups are led by disjointed angry ambitious young men incapable of organizing anything as massive as the Detroit riot.

There is an explanation for the Detroit riot. About 20 years ago, Detroit had been filling up with poor, white, young hill folk from Kentucky, Tennessee, West Virginia, Alabama, Missouri and Arkansas. They came after the grinding poverty of the rural farms and mines in the thirties seeking jobs and a better life. They left in large numbers leaving their families there, and we in Green Thumb, CASA, and Farmers Union find the old folks in these areas now in their 60's, 70's and 80's living in poverty. These young people piled into the over-flowing slums. Their dress and language was the target for discrimination. They found overcrowding, rats, loan sharks, police mistakes and prejudice. They were up-rooted and put into the slums to work at good paying jobs in the factories. There was not vast unemployment, yet they rioted taking it out on the Negroes as the scapegoats. They were irrational, wild and frenzied.

Now a quarter of a century later, the young, poor rural Negroes from Tennessee, Arkansas, Alabama, and Mississippi have escaped the grinding poverty of the rural delta farms. They have been swarming in to the slums over a period of 5 to 10 years; just as the white hill folk had done before. Their poverty in the rural areas was deeply aggravated by the terror and fire of the Ku-Klux-Klan, the white citizen councils and years of discrimination. The young adults left their families, the old and the very young to face this poverty and discrimination and terror.

The scars of hostility, bitterness and even guilt for leaving their relatives and friends behind have been added to the turmoil, squalor, crime, rats, police mistakes, overcrowding, pollution, prejudice and other social ills of the Detroit slums.

In Detroit unemployment is very low. City officials are sympathetic and are working hard for people. Community organization is intense in poverty areas. Schools are community orientated. Unions are progressive. Companies pay well and have good management policies. Yet the riot still happened. The hostility, the turmoil and the aggression still came out as if it had been pent up for years—which it had.

In both situations the basic facts are the same. Rural young people in grinding poverty are forced or are escaping to the city slums and the jobs. They are stacked deep in the slums marked by their language and looks. They were ill prepared and ill-educated for urban slum life.

The anger and the numbers build up, and some really insignificant incident explodes this inflammable situation.

We have blindly accepted the unplanned and unaided immigration from grinding rural poverty and the resulting social ills. It is a costly and inhuman way to treat rural poverty. It is cheaper to treat rural poverty in rural America, rather than wait until families break under it and move to urban slums and wait like time bombs until a match is lit. It is often too late to prevent this poverty in the slums and ghettos.

STEPS TO PREVENT AND ELIMINATE RURAL POVERTY

Increasing net farm income

Much of the rural poverty is generated by people being forced out of farming. Today farm income is at a very low point—74% of parity. With this kind of farm price, we are driving more and more farmers and farm workers from the land. We as a nation will regret this deeply within a relatively few years when world starvation becomes common place. Meanwhile, we drive the poor farmers and farm workers from the land and into the cities which helps to create the riots and the congestion problems of our urban areas. There is a relationship between low farm price and urban overcrowding and problems, and if we are not going to send another 200,000 rural people heading for the slums before next summer's riot time. We must do something about farm prices.

Fall finding of the 1965 farm act would be the biggest step in preventing rural poverty.

Doing something about farm prices is not enough for most farm families in poverty. The family farm which is well equipped and with enough land is as efficient as the corporate farm and in many cases more efficient.

One of the prime difficulties that most family farmers, including the southern Negro farmer, can not obtain sufficient credit to buy the land or get the equipment, and can not arrange the marketing system so that he can compete with the corporate farm and the large farm empires. Many low income farm families need more and lower interest credit if they are to work their way out of poverty.

We have supported the encouragement of farm co-operatives as recommended by the U.S. Food Marketing Commission. We support the SWAFCO Co-op, which has been funded by the Office of Economic Opportunity, and we urge that farm co-operatives for low income farmers of all types be aided. We also realize that low income farmers will need much more credit than is currently available. We have testified dozens of times this year on the need for this credit. It now appears that we are moving into an even worse tight money and high interest rate situation. While most urban borrowers found money easier and cheaper to get this past few months, the farmer has continued to have a high interest-tight money situation and it is going to get worse. The rougher it gets the more poverty level farm operations we will have in this country. To keep up with the need for new equipment and land, the average farmer needs about 10% more credit each year. One of the chief reasons that a majority of the Spanish surname and Mexican-Americans citizens in this country have moved from the farm to the small town and urban area during the past two decades is the lack of credit. The lack of credit and high interest rates have forced many southern sharecroppers and small farmers out of farming.

The cost of higher interest rates and tight money is staggering. This is one of the chief generators of rural poverty.

The Farmers Home Administration farm operating loans need to be expanded. The Economic Opportunity loans need to be expanded and the size of the loans increased. This program has in general been well run and is reaching very low income people and has been used for small farm cooperatives.

Increase Federal aid to education

Property and sales taxes are regressive taxes in rural areas. The modern corporate and technological wealth is not located (or taxable) in most local rural communities or rural states. At least $\frac{1}{4}$ of the income for the public schools should come from the Federal income and corporate tax sources. Only this type of effort can equalize the schooling level where in 1960 the average urbanite had 11.1 years of schooling, the rural non-farm 9.5 years, and the rural 8.8 years of schooling. This should include major increases in vocational and adult education.

Too few of our rural school systems yet have the special service to help equalize opportunities for the handicapped, retarded or disadvantaged child. Only when rural schools are as attractive as urban schools can we hope to attract and keep the best of our young families.

Housing and community facilities in rural development

With nearly half of the substandard housing in rural areas, there is no doubt in our mind that we must double the efforts in rural housing areas. Almost half of the substandard housing in America is in rural areas, yet for every 25 houses built in urban America with federally aided programs only one was built in rural America.

We ask that Farmers Home Administration's farm home loan appropriations be doubled in the next two years. Congress should act to re-establish the USDA-FHA direct loan fund increasing it by \$200 million to supplement the mortgage insurance program to serve as a yardstick on the cost of such credit.

National Farmers Union urges Congress to enact a program under FHA-USA for an experimental demonstration housing program in rural areas to see what can be done to revitalize rural housing. We commend OEO for initiating its first experimental efforts in rural housing.

Congress should provide a new program of direct loans combined with grants and restore the appropriations for a direct grant (Sec. 504) to low income families of up to \$1500 per family household to provide emergency repairs for homes that have deteriorated to the point of being undesirable for habitation. We urge Congress to amend the Housing Act to provide that only new farm homes on the immediate lot (not to exceed one acre) would be encumbered in home mortgages under the Farmers Home Administration.

We urge greater emphasis on senior citizens' housing programs in Farmers Home Administration because under current construction rates, we are losing ground in the effort to have older, low-income people live in safe, sound and adequate housing.

We support \$40 million for rent supplementation programs and that this be extended to include cooperative and non-profit rural housing for families and individuals as provided in the 1966 Housing Act, Title 5. Aid should be given to encourage more non-profit and cooperative housing in rural areas.

We urge expansion of the Aiken-Poage Water and Sewage program under FHA both in amount and to include community facilities such as police, transportation, fire facilities, street lighting facilities and community centers. Appropriate housing should be available in their own rural areas. We have lost tens of thousands of rural schools that served as community meeting halls and new community meeting room facilities will have to be developed.

We urge serious congressional consideration of all proposals for public, cooperative, and private efforts to aid self-help housing.

Health and social services

Poor health services in rural areas means poor health, more disability and more dependents. We have all recognized the lack of adequate medical services in low rural areas. The costs are staggering. On each index of health, rural people stand lower than their urban-counter part. One of the results is that rural working people have 14% more dependents than do their urban cousins who work rural areas receiving proportionally less of community health and mental health services. Part of this is our inability to attract skilled medical persons into rural areas. But much of it is because of a lack of grantsmanship both with the Federal Government and with the great charitable foundations of America, and because of the greater cost of operating health and social service programs in rural areas, because of the distances involved and our hundreds of rural farm counties which lack drugs today.

In our own Green Thumb and Community Activities for Senior Arkansans (CASA) programs, we have found an incredible lack of basic health and social services in some of our rural counties. The average older low income person interviewed by CASA was paying \$20.00 a month for drugs. We regret the House Appropriations Committee action cut out the proposed new rural health program of the public health service.

We also want to report that our experience in the Direct Drug Service shows that the further you are in some metropolitan areas, the higher the cost of drugs. This Direct Drug Service is our own private war on poverty and high drug cost.

Safety

Rural areas have a higher accident and injury rate than urban areas which is an important concern for rural development and anti-poverty efforts. The

fatal accident rate of rural roads is "35% greater than is for the highway and injury accidents which happen twice as often on these rural country roads". Since 1962, the rural death rate has been on the increase; the death rate increase is 10% since 1961 to 1964. There are many factors contributing to these accidents, but let us suggest only one step that might be taken which could substantially reduce highway accidents.

The Tennessee Highway Department found that only 10% of their 400,000 road signs were adequate. Iowa found that 66,000 of 100,700 road signs on primary rural highways needed to be replaced because they were inadequate. If our rural community could be encouraged to replace some of their low income people to rebuild and replace road signs, it can greatly reduce accidents and deaths in rural areas. Our rural roads are today the most unsafe roads in America and are our majority of draw-backs in rural development.

The annual rate of bed-disabling injuries per 1,000 persons per year (1960 figures) is:

Rural farm	87
Rural nonfarm	73
Urban	60

The rate of workdays lost (per 100 "usually working" people) due to motor vehicle accidents (1960 figures) is:

Rural farm population	138.0
Rural nonfarm population	55.2
Urban population	39.3

The average number of days per year per person of restricted activity due to illness or injury in 1957-59 was:

	<i>Days</i>
Farm workers	17
All occupation groups	12

The percent of the population with chronic limitation of activity due to illness or injury in 1957-59 was:

	<i>Percent</i>
Rural farm population	12.4
Rural nonfarm population	9.5
Urban population	9.7

The number of deaths from machinery on farms is 1½ times the number of deaths involving machinery in industrial places. Among the major industries, only mining and extractive industries and construction have higher death rates from accidents than agriculture. More consideration of these facts should be given in rural anti-poverty planning.

Transportation

We have lost many of the rural bus lines. Freeways have ended many bus stops from many rural communities. The small town taxi has been "done in" by high insurance rates. This leaves the young and old stranded in many rural areas. Experiments are needed to develop new forms of transportation for rural areas.

Community planning

If we are to avoid the traffic congestion, smog, water pollution, blight, and the other mistakes of metropolitan areas, we need area planning which metropolitan areas have only now begun to develop. We need area wide comprehensive planning and zoning and industrial development. Local government should be aided through both technical assistance and vehicles for inter-governmental cooperation.

Georgia rural development districts are a good example of some of the potential for this kind of rural equivalent to the metropolitan planning council. We support, as a part of the Target Program of the National Farmers Union, the Rural Community Development District Program. Without the ways and means for local governments to cooperate and to get technical help they will not serve the needs of their communities. Most rural communities do not have the need for nor the finances to support the technical know-how, the grantsmanship talent, nor even the library resources required to aid a part-time public official in rural areas.

We testified recently before the Senate Housing Subcommittee on this issue and urged that flexibility be given to the composition to allow for representation by the CAA, RAD and TAP groups.

With a rural community development district with an overall development plan it should be possible to eliminate the need for each local rural community to develop its own costly "Comprehensive Plan" to qualify for various Department of Housing and Urban Development grants.

In our 1967 Farmers Union Convention Resolutions, we say "to bring farm communities up to par economically requires recapitalization: expanded credit and Federal assistance, emphasizing the whole package of community facilities and services available with the help of rural development programs in cooperation with Federal, state and local agencies—schools, hospitals, housing, better access roads, highways, electric power and telephones. We urge enactment of the proposed Community Development District program to provide needed planning grants to strengthen the ability of rural areas to make use of these services where efforts are not being made. Through the cooperation of all concerned, re-capitalization can help bring growth and new hope to replace stagnation and apathy."

Employment

During the past few years we have seen much greater interest in the state employment services for aiding rural areas. We have seen some improvement in the number of MDTA, OJT and the job development efforts in rural areas. Rural areas are still very slow to see the need for the Employment Service, but the need in perhaps greater than for areas where there are many large businesses which have their own personnel staffs. Many farm people and others in rural areas have more skills than are readily apparent. We have found this true on our Green Thumb program. Some older farmers have had a wider range of skills than even we estimated.

Community work service programs such as the Neighborhood Youth Corps, the Green Thumb and other Nelson and Scheuer Amendment programs are very popular in most rural areas and are probably the most successful rural programs developed thus far in the War on Poverty. Programs in which low income people are employed to develop the community and community services do double-duty in rural developments.

Community services

The fastest growing area of employment in urban areas is that of services both public and personal services. If a rural community had, in addition to the basically good agricultural situation, all the variety of services—both public and private—the economy of that town would be good.

If rural communities employed adequate personnel for their schools, library, social services, employment services, and local government personnel it would have a major positive impact on the community and its economy. In many cases the additional dollars of federal and state revenues and the new business and people these services would attract over the long haul would more than compensate for the initial cost of the community.

Credit

One of the most desperate needs is the need for more credit for rural areas. In general, interest rates for loans are 2% higher in rural areas than in urban areas. The tight money situation has not abated in rural areas. Farmers particularly have been hard hit by the lack of credit. An important step for rural development would be the doubling of the FHA loan program.

SPECIFIC DISCUSSION OF THE ECONOMIC OPPORTUNITY ACT OF 1967

Job Corps

This program, in our opinion, has definitely improved during the past year. I think they heard what members of this committee and Congress were hearing, and the agency has improved its operations. I do feel that closer cooperation with vocational education is desirable. However, unless the entire OEO is moved to HEW, we would oppose moving the Job Corps there by itself. We believe, as do members of the Job Corps staff, that the next big job is to follow-up with the job corps members after they leave the facility. I am happy to see that they are moving in this direction.

Work programs

Neighborhood Youth Corps. We believe that the Neighborhood Youth Corps is being very well administered and the new directions which have been given are excellent. We know that the Department of Labor is very much aware of what they have and are handling grants in a responsible, and we might add,

financially strict manner. Their tough line on income ceilings is perhaps a little too lenient. Their financial control over grants is better than any of the agencies in the social field.

This past year they have put increased emphasis on counselling and job development, which is essential. The administration has been flexible enough to meet local conditions. Perhaps the single most glaring error in the Quie Bill is the suggestion that part of the Neighborhood Youth Corps program should be transferred to the Office of Education. In addition to the serious program difficulties and problems such a transfer would entail, the fact is it would almost double the administrative costs. At the present time, in most cases, the in-school and out-of-school programs and the drop-out programs are all handled by the same administrative staff. The Quie Bill would call for transfer of some of this program from the Labor Department to the Office of Education where a duplicate structure would have to be created.

The cost of actually transferring an agency not only runs into the millions of dollars but can disjoint and discourage many good staff members and good working relationships. It would eliminate over half of the present sponsors and with no assurance of improved program. There is every evidence that it would reduce rural participation as many of the rural schools are still too small to carry out good programs themselves. We believe that the Neighborhood Youth Corps should be a work experience to assist the individual in continuing school, including college if desirable, and of equal importance in getting a good job when he completes high school or other schooling opportunities. We see the greater need to coordinate the Neighborhood Youth Corps with the job counseling and development programs. We strongly oppose the transfer of any part of NYC programs to the Office of Education as poor programing and a waste of public funds.

Adult Work Programs. Our Green Thumb program has been the pilot program for these adult work programs and we are proud that our Green Thumb program has yet to have its first bad press story since we opened our offices and hired the first man. We are proud of our bi-partisan support and support by all the Governors in the seven states in which we operate. We are proud that we have acted as a demonstration program which has been copied by hundreds of Community Action Agencies. We are especially proud of the fine work that our Green Thumb worker trainees are doing.

Before this Committee considers re-shuffling the various parts of the Office of Economic Opportunity, we can tell you from first-hand experience that it is a costly, painful, agonizing, and rough process from the agencies, sponsoring groups, and for the Congressmen and Senators. In the case of transferring the Nelson-Scheuer and Kennedy-Javits programs it was worth the effort as the Labor Department is better equipped administratively and operationally to handle these programs than is OEO. We would strongly urge that since these programs have already been transferred over to the Department of Labor that the Nelson and Scheuer programs (Mainstream) be officially transferred over to Title I for clearer and cleaner administrative lines. Coordination with the other employment programs is most essential, even more essential than coordination with other community action programs, if you want results.

We would urge that the Labor Department be encouraged to strengthen its CAMP committee for coordination of all manpower programs, and that these adult work programs should be even more closely linked with other manpower programs. The Labor Department should be free to select its sponsors and to evaluate them. We are pleased with the strict financial control than OEO and CAP had over the programs. While their application forms are a little too complex for some rural community action groups, it will give much tighter control and understanding than OEO has had.

Last year we supported a major increase in the adult work programs. We continue to urge greater emphasis upon adult work programs not only as solid ways to eliminate poverty and help people toward employment in the private sector, but also because it improves the quality of living in our communities, especially in low income areas of our communities and increases essential services.

While we would not like to see rioters receive a reward for rioting, we believe that many of the innocent victims of these senseless riots could be helped out by employing them to clean up the riot areas. Many of the poor, old people living in our central cities will be even further impoverished by being burnt out. They should be employed immediately to help rebuild these areas.

The Nelson Amendment program has been the most popular among the rural community action agencies. I have yet to find a rural community action agency director who directly or indirectly did not already have an application for a

Nelson or Scheuer Amendment program approved, pending, or in process of development. This has been without a great deal of OEO promotion. Those programs which have been without much technical assistance from OEO during the past year until the time of the transfer have done remarkably well.

We are proud to have pioneered this program and hope that you will continue and expand these programs both through community action agencies, public agencies, state agencies, and private non-profit organizations. The slides which we are presenting to this Committee shows more vividly than words the nature of our Green Thumb program.

Community Action. We have not been happy with some of the administration and policies of OEO. Most of this Committee is aware of our feelings and of the examples of these problems. We can share the views of many of you for the need for improving these policies and practices. However, we would suggest that a tearing apart of OEO is not the solution. We oppose the abolition of OEO. If it is desirable to put OEO closer to existing agencies to cut interagency warfare and improve administration, it could be possible to move the entire OEO to the Department of Health, Education and Welfare, for example, keeping it as an Office of Economic Opportunity with the same status as the U.S. Office of Education of the Social Security Administration. If this were done as a compromise between those who would like to see a closer tie with existing agencies and those who do not want to break up the OEO, we would recommend that the over-all director of the War on Poverty should be a new Under-Secretary of HEW with broader powers to help build cooperation with other agencies involved in the War on Poverty. There is precedence in the Department of Commerce for where they have more than one Under-Secretary.

We hope that this Committee will do its level best to arrive at an agreement before it sends this bill to the floor. "The poor" should not be fought over for partisan reasons, but needs the careful attention of every member of this Committee. Revision is needed and every effort should be made to get agreement on as much as possible before the Bill is reported. We have discussed the matter with many of you and know that many of the criticisms reflect honest need for changes to improve the program. Last year we supported the efforts of this Committee's desires to secure a place for the independent agency outside of the Community Action Agencies, its effort to emphasize employment and de-emphasize certain activities and give more direction to programming.

We think that there have been improvements in the War on Poverty and that most OEO and CAA officials have risen to the challenge of the recent riots and efforts to curtail them.

We believe that a major new effort is needed in rural anti-poverty programs in order to prevent the immigration of rural people. We urge OEO to work closer with the Economic Development Agency, Rural Development Services, FHA of the Department of Agriculture and the Manpower programs in developing ways that rural people do not have to leave their community or at least their region or state to find employment. If they do leave that they be better prepared than they are now.

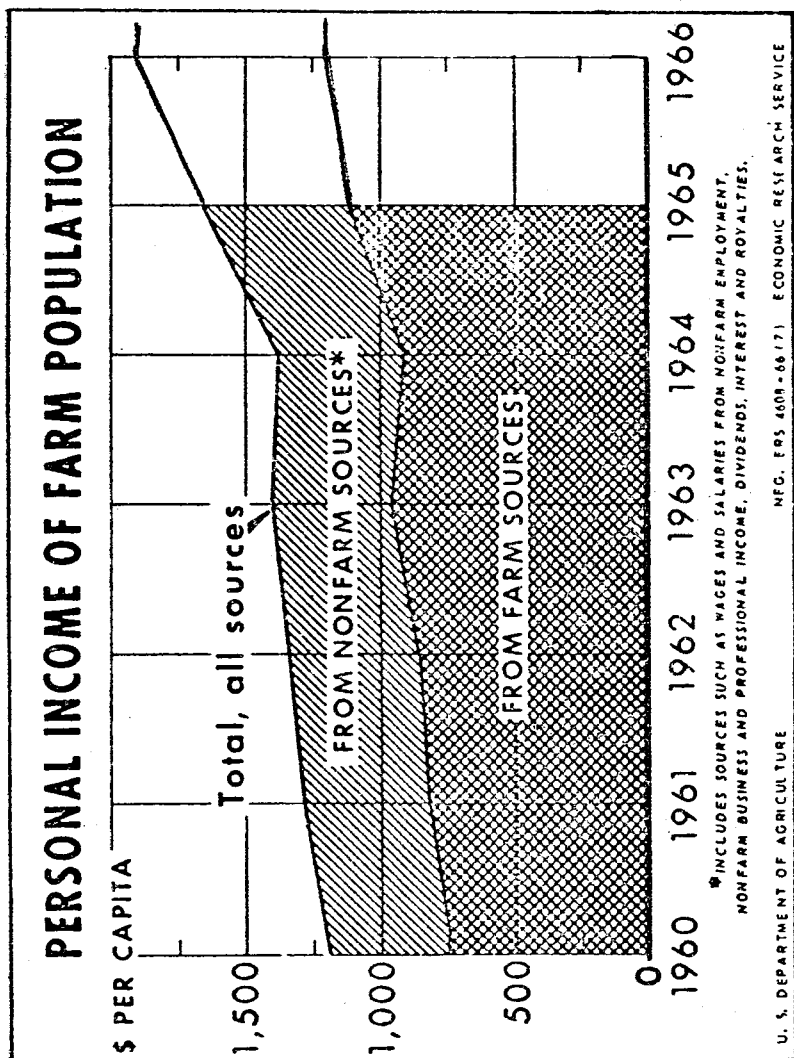
Cooperation is a two way street. We urge that a Deputy Director of OEO be provided to OEO and that simultaneously he should also have a position in the Department of Agriculture. The rural anti-poverty efforts of CAP should be better coordinated with the Technical Action Panels, Rural Conservation and Development and Rural Area Development efforts. Greater use should be made of area wide rural programs and single purpose groups. More such public and private groups should be encouraged to get into the program. We also urge increased emphasis upon programs for the older poor.

In conclusion, we believe there is room for improvements and these should be made to increase cooperation with other agencies and improve administration. We do not support breaking up OEO to achieve this end, but rather by relying upon the good members of this Committee to hammer out agreements before this bill is reported to the House.

Farm Home Administration Opportunity Loans. In the states where we are organized and have had a chance to see this program work, we are deeply impressed by the good that it is doing. We support a major increase in this program and urge that the size of the individual loan be increased. We are also pleased with the migrant program and its results.

Vista. We support the idea of a home town Vista and believe that the directions of the administration's staff and Congressman Quie's bill in this regard are not far apart.

We appreciate the opportunity to appear before this Committee.



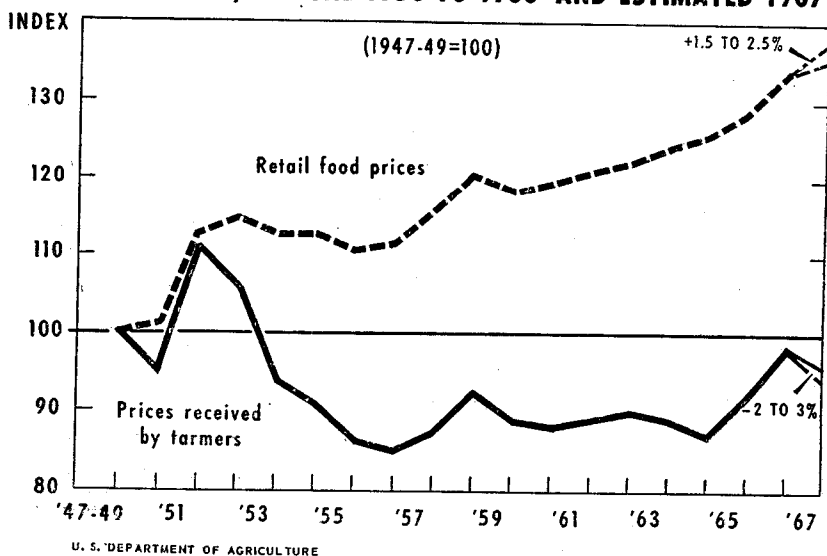
FARM INCOME RISES SHARPLY

Higher livestock prices and a thriving grain market have resulted in sharply rising farm income through 1965 and early 1966. An increase in realized net income per farm from 1964 to 1965 was reported for farms in every sales category. For the large farms, which account for the bulk of farm income, this has meant increased prosperity. For the small farms, which account for the bulk of the farm population, this has meant some relief from near-poverty conditions. In spite of the tremendous boost, the per-capita income of the farm population is still a third lower than that of the nonfarm population.

Realized net farm income during January-June 1966 was estimated by the U.S. Department of Agriculture as just over \$16 billion (seasonally adjusted annual rate). Aside from the \$17.1 billion reported for 1947, realized net income has never exceeded \$16 billion in any previous year on record. Realized gross farm income in the first half of 1966 was around \$48.5 billion (seasonally adjusted annual rate), substantially higher than in the same period a year earlier. Production expenses through June this year were reported at an annual rate of \$32.2 billion, seasonally adjusted, compared with \$30.4 billion in the first half of 1965. Farmers were paying higher prices and increasing purchases of some of the more important production items. Farm wage rates were up about 7 percent, but the number of hired hands through the first six months of this year was reported to be down about 9 percent from the corresponding 1965 period.

CHART I

PRICES RECEIVED BY FARMERS AND RETAIL FOOD PRICES 1947-49 AVERAGE, ANNUAL 1950 TO 1966 AND ESTIMATED 1967



THUMBNAIL SKETCH OF PROJECT GREEN THUMB

There are several million older low income people living in rural America who, through no fault of their own, cannot continue to farm or find employment. Having poor job prospects and often living in rural pockets of poverty, these older farmers face years of deprivation and poverty for themselves and their wives. Project Green Thumb seeks to use the skills of older and retired low income farmers in growing things to beautify the highways.

Green Thumbers have planted 600,000 trees, built 35 new parks, reconditioned 60 more older parks, established several hundred new rest areas, cleared hundreds of miles of highway right-of-way, assisted in many state, county, city and rural beautification efforts.

The program, operating in seven states, Arkansas, Indiana, Minnesota, New Jersey, Oregon, Virginia and Wisconsin, employed a maximum of 800 worker-trainees and had wide-scaled community, state and congressional acceptance despite the challenge of employing a group of men given up by most programs as hopeless. The average age has been 67 and the average income before the project was \$900.00 a year. Heavy in-kind contributions come from state and community sources.

"To many of them," says Tony T. Dechant, President of Green Thumb and Farmers Union, "this means the difference between staying in their own homes and leading their own productive lives or being dependent on the state of their children."

All the men who are hired by the project must pass physical examinations. They work hard and as one foreman expressed it, "there's no goofing off. My main problem is to keep those old fellows from working too hard."

The problem of the older retired worker in rural areas of the country has been a cause of grave concern to President Johnson who, in a communication to the Senate in March, 1967, said, "Hundreds of older unemployed and retired farmers and rural workers have gained in income and dignity while contributing to the safety and beautification of state highways, schools, parks and rural towns through projects as Green Thumb. I have asked the Director of the Office of Economic Opportunity in cooperation with the Secretaries of Agriculture and Labor to expand this activity and to develop new ways to provide meaningful public service opportunities to the elderly in rural areas."

Evaluations have shown the Green Thumb program is effective in aiding these men who are in deep poverty and prolonged unemployment to regain dignity and purpose in life and escape from the depths of poverty. It is a pioneer effort to show the abilities and potentials of older and retired low income farmers as employable workers.

Green Thumb Board: Tony Dechant, Pres., Edwin Christianson, Vice Pres., E. W. Smith, Leonard Kenfield, Ben H. Radcliffe, Gilbert Rohde, George W. Stone, Jay I. Naman and Charles F. Brannan.

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COMMUNITY ACTIVITIES FOR SENIOR ARKANSAS PROJECT AIDS RURAL ELDERLY

An Arkansas Farmers Union project is playing good neighbor to elderly people in need who have no one else to care for them. The pilot program known as CASA—Community Action for Senior Arkansans—is being conducted in six Arkansas counties, financed by the Administration on Aging (HEW).

Rod Jones, Director for Arkansas Farmers Union CASA Program, made a report illustrated with colored slides at the Annual Conference of States Executives on Aging sponsored by the Administration of Aging (HEW) at the Washington Hilton, June 19th.

CASA helps aged and needy residents in Conway, Izard, Lonoke, Prairie Sharpe and Stone counties to spend their declining days in a little more comfort. Two or three senior citizens are employed as interviewers and aides in each county. They work three days a week and receive \$1.40 an hour. Their job is to find people in out-of-the-way rural places who are in need of help and to give them the aid they need.

Since last November, when the program got underway, 2,500 persons ranging in age from 65 to 104 have been interviewed or helped by the CASA workers. The average age of the people living in need is 73 and their incomes average less than \$950 yearly.

For more than half Social Security is their only income, about a quarter of them are on Welfare and some are on both Welfare and Social Security.

The CASA workers have found that nearly 60 percent are in poor health; 36 percent live in substandard housing without electricity or plumbing.

Old people who haven't seen another human being for weeks at a time have been visited.

Rod Jones cites the case of an elderly man who couldn't walk because of muscular distrophy, but managed to get around in an old wheel chair. His wife was ill, too. CASA workers had a telephone installed so that he might summon help.

One family, all mentally deficient, was found living in a house minus windows with chickens roosting in the bedroom and kitchen.

CASA workers have made minor repairs to many of the homes; have arranged transportation to doctors and medical centers for elderly who needed treatment.

Some families have been found living in indescribable filth. Retardation, senility, ill health are a triple threat to the forgotten elderly living in rural pockets of poverty.

"But", says Jones, "many of the people we have found have never been to a hospital or nursing home and do not want to go. Some of them have never seen a doctor.

"But with the help of CASA workers who can render domestic services, give a little nursing care and clean up the houses so that they are fit to be lived in, the majority of these people can remain in their own homes and not be moved to nursing homes.

STATEMENT OF TONY T. DECHANT, PRESIDENT NATIONAL FARMERS UNION

The Farmers Union does not believe that the Economic Opportunity Act is anti-riot first aid. Anti-poverty efforts can help to restore economic well being to our rural areas. The farm family should be able to remain in their rural community and make a decent living instead of being forced into the overcrowded metropolitan areas.

It is doubtful that the Detroit riot could have been prevented merely by giving money to anti-poverty efforts in Detroit. Detroit is a city with a very low unemployment rate. City officials are sympathetic and are working hard for the people. Community organization is intense in poverty areas. Schools are community oriented. Unions are progressive. Companies pay well, yet the riot happened.

We in the Farmers Union believe riots will continue to occur in the urban areas so long as rural America continues to supply the cities with people. The rural poor become the urban poor. Rural young people in grinding poverty are being forced to the city slums to look for jobs. Many lack training to get good jobs. They are stacked deep in the slums marked by their language and looks. They were ill prepared and ill educated for urban slum life.

We will continue to have riots in the cities until we can adequately treat rural poverty. Once the fire is lighted, all efforts must be extended to put it out, but it would be infinitely cheaper to remove the fuel before the fire starts. Major programs of training and work opportunity combined with rural development efforts could slow the mass migration to the urban slums. Today our minds are filled with riot stopping. If we really mean to stop riots, let us look for riot prevention. Riot prevention can be found in rural America.

Mr. CARSTENSON. I would call attention to the statement of our national president, Tony Dechant, who has spoken out on the matter relating to the riots and how we have to look at really truly preventing riots.

We have a position which the Farmers Union Convention took after quite serious consideration by many committees including the policy committees and the delegates and the board and quite a long discussion and it is concurred in by the advisory board. That is on page 2.

We will skip on to page 4, which this past week I was out at the University of Michigan. I used to be on the staff of the extension service there, and working in the small areas and small towns but also working in Detroit. In the course of my work there I worked with many of the professors who have been studying Detroit, working with staff members who have at that time and since worked in community development

work in Detroit, worked with the schools, worked with social agencies, now working under title I of the Higher Education Act in the Detroit area, and these comments concerning the genesis of the riots are based on my own experience working in Detroit and the experience of these professors and staff members of the University, some of the sociology department professors and others on the basis of our experience in looking at the Detroit situation.

Mr. QUIE. On page 2 you mention programs for reaching rural populations. Have you heard the testimony of Director Shriver stating some 38 percent—I don't recall the exact amount—I think he said 38 percent this coming year will be devoted to rural poverty. Are you aware of 37 percent going into rural areas and what kind of quality is there in the programs that have been operating?

Mr. CARSTENSON. A similar statement was made before the subcommittee before it got involved in other matters by Mr. Harding and I followed the OEO presentation. I did challenge it at that time and I have had discussions with them since that time. At this time they do not know precisely what percentage of this current situation they are in right now, they don't know what proportion of the programs are going to rural.

They say this is a projection and in about a month they will come up with more realistic statistics on what has actually happened.

They have always predicted more than they have been able to do in rural areas. It has been increasing and I think part of the comments and classic things we have said from time to time about the lack of programs has spurred them on to do a little more, especially the last few months in the rural areas.

I don't believe that they will be able to achieve the 28 percent, I believe it is, that they have projected for this past year or the 38 percent, you say—

Mr. QUIE. Thirty-two percent they said in this past fiscal year and 36 percent for this next fiscal year.

Mr. CARSTENSON. I talked with a statistician over there and it is projected.

Mr. QUIE. You don't think they are actually going to have done this in the last third?

Mr. CARSTENSON. Apparently when we have a serious problem in our urban areas, more of the funds go into the urban programs.

Also the definition of rural is different. Their definition is different from the Census Bureau or FHA. They have a definition of predominantly rural rather than rural. If you were to compare their definition with what is predominantly rural counties and chop up the percentage of poor in there it would probably be up around 60 percent or so, so they are using a different definition of rural than does the Census Bureau or others.

I think the statistics reflect what is their goal. I wonder if they are going to make this goal this past year and they said they would not know until another month from now.

Even then I urged that they make a much clearer definition when they use this statistic as to what they mean by rural and also give comparable data as to how many poor are in those counties.

Mr. QUIE. What do you think of dividing the community action program so we allocate amounts for urban and rural programs so the rural get their proportionate share.

Mr. CARSTENSON. I think the language in your bill is very excellent. I have not seen anyone else's language in any program or law that I think would give a more equitable distribution of programs and I certainly commend you for that incentive, creative language. It is very good.

Mr. QUIE. I thought that language was limited to OEO from the testimony we have had.

Mr. GOODELL. For that we will be on a cloud for awhile.

Mr. QUIE. At the bottom of page 2 you say "often misdirected in spite of voluntary efforts."

What do you mean by that?

Mr. CARSTENSON. Again, this was passed in March and by the very taking of this position we have been successful particularly in certain regional offices, for example, the Chicago regional office about which I am sure you are well aware, the regional staff is going off in all directions and making life pretty miserable for the rural CAP directors and I am familiar with many of them in Minnesota, and they have problems getting the programs going because of the misdirection and despite the statements coming out of the regional office.

I think the new regional director is making some progress. I am seeing some improvement even more than there has been in the past 2 or 3 months but there has been a lot of misinformation and misdirection coming out prepared by regional staffs where they have gone around and said things when they were not well enough informed about OEO policy or particular legislation.

Mr. QUIE. I yield to my colleague, Mr. Goodell.

Mr. CARSTENSON. I would like to make one comment before you have to leave. In the course of my testimony I did not want to indicate in any way at the bottom of page 12 that I was referring to your bill as tearing apart OEO is not the solution.

I agree that many people have not read your bill and Mr. Goodell's bill and I don't think this is referring to them. I do feel that much more serious and direct reading carefully of the things in the bill is very essential to all of the members of the committee, and I would hope instead of just fireworks at this time we can get an agreement in the committee, taking some of the points you have made, and, in turn, perhaps on the other hand taking some of the points that the committee has made, and I would suggest perhaps that one possibility might be to leave OEO intact by transferring it over to HEW and, as I indicate here, a possibility of an Under Secretary rather than an Assistant Secretary and see if this might not be a way, one, to keep this image of OEO whole, yet bring it into proximity for this transfusion to other agencies in HEW and elsewhere and get better administration.

So taking the points you have made in your bill and the points of the democratic side of the aisle would be considered.

Mr. QUIE. Let me say in the beginning you have not made the mistake so many others have made in assuming that the propaganda charges are correct.

You have read the opportunity crusade and the first time you talked to me about it I realized you knew what you were talking about and you realized what we are attempting to do. Also, your suggestion of an Under Secretary, I think, is an excellent one. I think we will see, when we make changes based on testimony, that this is one that we are going to make. I just want to say I appreciate the constructive way in which

you have approached the problem of poverty, the legislation that is being proposed to give us the tools to bring more and more people out of poverty in the country and also your dedication to the rural part of America.

Thank you very much.

Go ahead and review your testimony and Mr. Goodell will have some questions.

Mr. CARSTENSON. I wanted to show you some pictures of Wabasha but that can wait until another time.

Mr. QUIE. I am going to Wabasha right now.

Mr. GOODELL. You may proceed, Mr. Carstenson.

Mr. CARSTENSON. I would like to comment specifically on the bill starting on page 11. Again I think the point of keeping the war on poverty together but transferring the thing over to HEW would then bring it into proximity with the vocational education. In 1959 I worked on the problem in the Office of Education as a member of the staff of the Office of Education relating to the older worker and trying to get vocational education in gear and I worked on the White Conference on Aging in the same area.

Later I worked in the Office of the Secretary trying to get vocational education geared up for MDTA. I know that it is not perfect, but I think that much can be gained by having these two programs under the same general HEW umbrella and I think having them under the same umbrella would be helpful to both vocational education and the Job Corps program.

I like the idea of the smaller facility and I think this is to be encouraged and commenced; the idea you and Mr. Quie advanced in your bill.

I would like to concentrate a good deal on the work programs because this is where we have had direct work experience. I don't know whether you have received a copy of our report on the Neighborhood Youth Corps.

Mr. GOODELL. Would you like it in the record?

Mr. CARSTENSEN. It is long for the record but I may wish to use it. I think most of the other members of the committee have received it.

We run a series of Neighborhood Youth Corps programs under contract. These are State farmers unions offices and we have had many wonderful compliments from local school officials and from others.

We do feel that it would be a shame to break up the two programs because of the additional cost of administration. Most Neighborhood Youth Corps programs both in school and out of school and dropout programs are run by the same administrative team at the local or State level, wherever the administrative level is. If it were split over into the Office of Education, in our judgment it would pretty well double the administrative costs, and I think this would be a detriment to the program.

Also, these are work-oriented, work-experience kinds of things that will hopefully lead the youngster into a future job. I don't think that pulling back in education is going to help. The thing with the relationships with the schools we have a whole host of testimony, and I have talked to the educators and, being an educator myself, being able to communicate in the language, they indicate it is a very satisfactory way to operate the program.

Frankly, besides being a waste of administrative money, I think it just would not improve the program to any great degree.

Mr. GOODELL. I think you make a valid point. I am not sure I am persuaded entirely for a variety of reasons. In that connection, the inschool program is primarily a program to give youngsters work and income to keep them in school.

In most areas, from my observation this has not been tied as closely to the long-term job prospects for these youngsters as the specific objective of giving them something to do with money that will help them stay in school.

Secondly, because the inschool program is limited to public employment or nonprofit private employment, a good portion of jobs are provided by the schools themselves, the educators themselves, or the governmental agencies.

I have no particular quarrel with having both the out of school and the inschool programs administered by the same people if we make no other changes, but I would like in this connection to ask your comment on the coordinate program which we suggest in the opportunity crusade.

It would be a new position in a local secondary school, a man or woman whose responsibility and charge would be to find employment for this same type of youngster in areas in public and private nonprofit and profitmaking groups on a part-time basis to help keep them in school?

Mr. CARSTENSON. I would like to comment on that because I think this is the other part of it. We still have many non-consolidated-school systems, secondary as well as elementary schools and we are concerned particularly here with the secondary schools.

It has been our experience if you are really going to spread these programs out into the rural areas, and particularly in some areas where you have only a few youngsters in a particular school who are in need, unless you are going to concentrate everything in the highly depressed areas—if you are really going to reach out and reach youngsters who happen to be in small pockets of poverty in counties, you are going to have to have a program that will blend out there and you wouldn't have enough work to justify a good counselor and a good worker in a school system.

Mr. GOODELL. I think that is a very valid point. You do have and have had going on for some time a national trend toward consolidation that is really inevitable if you are going to provide the proper education.

There are many rural areas which have consolidated secondary schools. We get into the problem of the definition of rural areas here but many of the predominantly rural areas would have this.

Maybe you have some suggestion as to a complementary program that would not only reach the urban area under the type of program I have been describing but also reach these outposts. Do you have a suggestion that perhaps we could have a community action employee or someone else in a rural area who has that charge?

Mr. CARSTENSON. One of the things we have found and this will vary in the areas in the ways things are set up and developed, but in many areas it is more efficient not to run these through community action programs but to run them on a broader basis just for sheer efficiency and economy. We have a feeling in many rural areas where you have many different school systems, and so on, you are going to have a flexible pattern.

Many times you will have someone in the community action agency who can work with kids on this kind of basis and in other places you wouldn't have such people.

The same is true in job development work. Rather than saying we should have a job developer in a school or a job developer in the community action agency, I would rather leave this more fluid and just emphasize that we need more counselors and people who can help on the job development problem with these youngsters and allow the pattern to evolve as it is needed in each area.

I think you also see, for example, kids will be in the inschool program and in the summer they will be in the summer program and some will drop out and you can pull them back in. You should have a program that generally brings the whole works and carries along with it a counselor.

Mr. GOODELL. One of the problems here is, that you get into lots of administrative problems unless there is some local agency bearing the responsibility for putting up enough money. Then they must continue to feel this is worth the cost to them and begin to move to provide additional funds for expenses as necessity for them has been demonstrated.

I think we could add flexibility by giving discretion where it would prove to be inadequate otherwise or was not going to reach youngsters in this category, that they were free to work this out with any other agency that would provide the service on a 50-50 basis. Perhaps it would be a city government, perhaps it would be a county government; perhaps it would be some other kind, maybe even a private, nonprofit agency.

Mr. CARSTENSON. One of the things I wanted to say about counselor and the 50-50 basis, for one thing, it would rule out in most cases anybody except an accepted credential teacher counselor. This is not necessarily something that a teacher with credentials must do. I think there are areas of job development and job counseling which do not require them.

Mr. GOODELL. We did consider that and I think it is a very valid point. I get very flustered about having to have certified teachers do everything when there are many types of work that could be performed without technical credentials. We did consider doing it through the community action agency but again we wanted to get it tied into the school system and we wanted to get them to move to take the responsibility in this area.

I think it is a very valid point and we could give some further thoughts as to how to work that in. It is possible by deleting the requirement they have credentials. In some States or in many States they could qualify for employment. Obviously they can employ people in the school system who are not certified, such as janitors and other types of people, custodial types. Maybe we could work it out so that in most States there would be a classification not at the custodial level but still free of certification requirements.

Mr. CARSTENSON. It would be very difficult. I have a doctorate in education, taught in a school of education, and I really think in this whole amendment that the relationship with the school and the need for counseling and so forth is something that should be emphasized in the report but I think basically as it stands now and it is improving,

and one thing I want to say is I have worked with programs now both under, OEO, administration, aging, various parts of HEW, with labor, and the administration of the program by labor has been better in terms of them knowing actually what was going out there, where every dime is being spent and this kind of tight control than in any other program that I have seen in the Federal Government.

To me this has been quite remarkable that they could get this kind of tight control on it and have a good deal of flexibility.

Mr. GOODELL. Are you suggesting that perhaps Labor should administer this coordinator type program? For whom would you have this coordinator work?

Mr. CARSTENSON. A year ago we began to see this in the Arkansas Farmers Union. We saw the need for more counseling on job development, and we came forward to the Labor Department for a proposal for increased staff for counseling.

Frankly, at first they were wondering do we really have such a wonderful ratio, using less than 1 percent on administrative costs, and can we really afford it in terms of having additional counselors. We did try it out and it has been very successful and is being adopted in that region. I think from what Jack Howard and some of the others have said that the push is on to try to move this in general, to have the counselors actually built into your agency.

Now in some cases—

Mr. GOODELL. Are you talking about the local employment agency?

Mr. CARSTENSON. The local or regional sponsor of the Neighborhood Youth Corps or camp wherever it might be. Do you know in the Roanoke area about which a man earlier today testified it is within the camp and they are moving in the same direction, I think, of more effort and energy or counseling and I think it is improving.

I know the real weakness in the early game was recognized by the agency and they are putting more budget into counseling.

Mr. GOODELL. I take it that you agree that when a counselor, is available, to do this type of work there are a number of jobs in the private area that could be found and youngsters connected to them on a part-time basis?

Mr. CARSTENSON. Yes, and we also feel you need to have a tie-in with the OJT program. We have done this in Arkansas having an OJT program connected right with it. This is helpful in making the next step. A lot more can be done in this area and I think it could be done with the existing legislation that perhaps needs a push by Congress to emphasize and make sure we do have counselors there in every program.

Mr. GOODELL. Since it is in the related field, do you have any general comments about the industry youth corps proposal.

Mr. CARSTENSON. To me in a sense this is what we have been trying to do in the OJT program and there are a lot of similarities. I know what the man from Kentucky who spoke earlier today said, there are not very many of the OJT type programs in rural areas.

Perhaps something like this is needed. We have been able to work with the OJT program but perhaps a new one is needed to really push it ahead.

All I know is that we have been able to do it in Arkansas but whether or not it can be done in other places, I don't know. I do know that there are more jobs out here and if we can work out some

things like reports on the opportunity crusade or OJT—and there are many with similarities——

Mr. GOODELL. It is our concept they would be meshed together. An employer could use OJT to pay for equipment and costs and overhead costs.

OJT presently does not permit the payment for any portions of wages. The industry youth corps would make money available to pay up to a quarter of the wage.

In addition it has proved to be appropriate to the OJT type of thing. The problem with OJT nationally, and I would be interested in your comment, has been that the very large companies generally are not participating.

By that I mean more than 100 employees. That your employers—maybe 30 to 50, who have participated have had under 100 employees—but very small employers have not participated. Apparently, smaller employers are not participating for the same reason the very large employers are not.

They bear the supervision and cost themselves, and the smaller employers don't want to get into the applications and forms and reviews. When you get down to eight or 10 employees it is understandable that the paperwork becomes a more burdensome thing to them.

Mr. CARSTENSON. I think the small contractor—if he has to go to some distance to a sponsor—he does have a problem. In Arkansas, it is kind of unique.

Mr. CARSTENSON. It is a Federal OJT contract to the Arkansas Farmers Union although the State is involved but it is a Federal contract. We are trying to do an outreach job into rural areas.

We are also considering doing something in the area which has never been tried before and we hope that our board is given approval but we have not gotten around to doing some of the work necessary to get the application processed of seeing what can be done also on the farm on-the-job training.

As far as we know this has never been done and also older worker training.

I agree the large industries have not been going into it as much as they should. The more we can do in this area, the kinds of things you have proposed and more OJT and being more experimental in this area, there are a lot more jobs out there than are now being filled.

I would like to urge then that the present Neighborhood Youth Corps programs be used more for the younger boys and girls and that the industry ought to be more focused on the older teenager or young adult and this would be a good emphasis.

I think there would be perhaps less criticism of possible exploitation.

Mr. GOODELL. Apparently in your contract and program, the farmers union has experienced more flexibility than OJT programs nationally. We are seeking this industry youth corps and administrative structure that will give the flexibility in structure which you apparently accomplished. You are almost unique in this respect. Our concept has a community action board administering it and supervising it and negotiating with the employers involved. The decisions and details can be made at the local level rather than an application going into the Federal level.

You will note we make specific reference to trying to reach the farmers in this area. Do you feel there is a potential for farm employment for these youngsters with perhaps an inducement of a quarter of the wage paid and a simplified form working directly with the poor? Do you think you could get farmers to do some of this?

Mr. CARSTENSON. I think there are some areas where this could be done. With farmers, I think we see more hope in OJT moving in this direction. There is an opportunity for young people to go into farming. I will have to take that back. There is a need but the biggest hope is in terms of the 45-on-up farmer who has gone out of farming and who can no longer farm because he does not have the credit or the land or cannot work 10 hours a day 7 days a week or 12 hours a day 7 days a week, to come into a number two spot in a dairy farm.

We have many of the farmers in Appalachia for example who are desperately needed say in Pennsylvania or in some of the dairy farms in northern New York who have had the experience with cattle and with a refresher course and with some training could do an awfully good job in that sort of thing.

Mr. GOODELL. In other words, farmers changing from one commodity of production to another?

Mr. CARSTENSON. That is right.

I would also like to urge again this year as we did last year—in fact I think we were the only one to urge a major expansion—continued expansion in the work opportunity area. The administration last year opposed this idea but I think the response we have seen from rural community action agencies has been overwhelming.

I don't know of any community action agency, rural community action agency where one did not already have one or had one in the making or was trying to get one through the bureaucracy or was lobbying with their Congressman to get a Nelson-Scheuer type program.

I know we are going to need a major program in these riot-torn areas to try to rebuild some of these areas and to take care of the plight of the victims of these riot areas—the people who have been burned out and lost their jobs because of the riot.

I think we are going to have to increase the opportunity for work. I don't think there is any real difference between the title V programs and the programs under Nelson-Scheuer. Both are needed. We have found very little overlap because people who are on welfare don't want to go on the Nelson program because they have to lose part of the welfare and it is difficult to work this out. They can do much better on the work experience.

On the other hand, most of our rural people don't want to go on welfare for any reason. We have had some even though we had opportunities in the work experience program, just because of the relationship to welfare just did not want to go on it.

So I think we need both of these program going on, they are serving a purpose and working reasonable well.

On this whole business of work, there is a chart in the back of the statement which shows the proportion of nonfarm income for farm families.

It is increasing at a faster level than is our farm income and it is the only thing that is keeping many of our small farmers in business. In fact, for many of them it is the nonfarm jobs of the wives or part-

time work, selling insurance, or working in the local factory, or the son working that is actually subsidizing the farm because of our local income at the present time.

So the development of rural jobs in rural areas for farm families is very important. We are going to do everything we can to increase farm income but also to help out we are going to need to do that.

I am going to comment on one or two things on page 11 and I have one correction on page 12. For the record, in the second paragraph, relating to the Neighborhood Youth Corps, in the third sentence it says "The tough line of the Neighborhood Youth Corps on income ceilings in perhaps too lenient."

Actually it is too tough. It is not lenient enough. They have bent over backward to the letter of the law in terms of the exact dollar amount perhaps a little too much. I guess if we are going to err we ought to err on the conservative side but I did want to call it to your attention to change the record.

On the business of cooperation with the existing agencies is a two-way street. It reminded me a little bit about sometimes the efforts of cooperation in the war on poverty have been like the person who wants everybody else to cooperate while the individual who wants to do the coordinating is actually doing the cooperating and that is the cooperation that has been anticipated and has been too often occurring in the war on poverty.

I think something more needs to be done to bring the various agencies together to work together.

We have had just a little too much attacking of other existing agencies. Sure they need to be moved and creative ideas need to come about, but quite often if you attack too hard you freeze the chance for real good cooperation in communication, and I think that something needs to be done at the top level to build this better coordination.

Mr. GOODELL. You were referring to the tax bite. OEO personnel and OEO supporters in existing agencies and vice versa—is that what you are referring to?

Mr. CARSTENSON. Yes. I forget that we put the basic education bill into the Economic Opportunity Act over the objection of OEO and then we had to take it back out over the objection of OEO. The program was basically run by the schools and the image and ideas were basically created back in the Office of Education years ago.

There just has not been the legislation up to this time, and we certainly felt good that there has been such broad support for basic adult education, and so on.

Mr. GOODELL. I take it then that you agree that there can be, and often is, innovation in existing agencies if they have the funds and the authority to do it?

Mr. CARSTENSON. Last week we testified before the Banking and Currency Committee of the Senate—and I heard the enthusiasts of OEO attack the Farmers Home Administration for not being flexible, but they have not gone through the legislation to see how narrowly defined the legislation limits the Farmers Home Administration and they are at the maximum of their legal authority.

We pleaded for some experimental programs. There are no experimental programs in the Farmers Home Administration. There is no real flexibility and if we expect innovation in some of these agencies,

we are going to have to give them some more flexibility to do creative type programing.

On the other hand, I know we never had a Green Thumb or a Foster Grandparents program or many of these other types of programs if we had not really had OEO as a creative storm center and I think this indicates it has been very good and it adds to the creativity.

Mr. GOODELL. I think your statement is one with which I agree as far as criticism of existing agencies.

The fad today, the "in" thing to do is to come in and say these agencies have never solved the problem that have been present for years and years and that it has only been since OEO has been created that this has been done and tried. Your point with reference to basic education I think is a good illustration.

Your other point with reference to FHA was a very pertinent one because you can't criticize the Farmers Home Administration for not having a program that reached the marginal farmer when Congress did not give FHA the authority and the President did not propose that they have the authority to do it.

The same thing incidentally is true of the Small Business Administration. They do have the basic authority put into the poverty law. Interestingly enough in the SBA experience they found they were getting the job done much better by utilizing the SBA administrative structure in reaching the small marginal business than they were in setting up small business development centers. So they have now shifted back and put it into that agency.

I think we have to be aware of the potential for these existing agencies to experiment and move out and innovate if we just give them the authority.

Mr. CARSTENSON. On the matter of transfer, we were rather deeply involved as Congressman Quie knows and as other members of the committee know we are involved in this whole business of transfer. It is a very costly matter both emotionally, and financially to transfer these programs.

Once a program has been transferred, you have to be real careful about transferring back. I have already talked with Congressman Quie about the fact that in his bill he would turn around and reverse the process. We just transferred the Nelson amendments—Shriver transferred them to Secretary Wirtz and now it looks like the way the Quie-Goodell bill is written it will transfer it back because there is no clear delineation.

I do feel again the administrative processes that have been developed are quite good in the Bureau of Public Works programs. I think once it has been transferred, I don't think you ought to turn around and come back again because it is very costly and since the Bureau of Public Works programs is doing a much better job—last year the Office of Economic Opportunity for some almost 6 months had nobody who was assigned the responsibility really of gathering together what was happening on the Nelson amendment program. They really didn't know what they had.

That was one of the problems in the transfer. OEO just was not aware of which programs they had, and so forth.

Now they have a pretty good idea of what programs they have and how to operate and they are beginning to do a thorough job of analysis

of it. The whole administrative control is much better. They know much better what is actually being spent on these programs than we had over in OEO.

I would strongly suggest they be left there. I know that Senator Nelson for one is hoping that they can be—as with the Kennedy-Javits thing—be left in title I and be earmarked in the whole Nelson-Kennedy-Javits complex there as one whole work program of this nature.

I have seen pictures of the Green Thumb program that I would like to show you perhaps after the committee adjourns. The Green Thumb program has been one of the most publicly accepted programs that have come down the pike.

Senator Javits and Governor Rockefeller have been working with us to try to get a Green Thumb establishment in New York State.

We hope that we can sometime during this coming year. Congressman Quie has been working along with Senators Mondale, and McCarthy, and Representative Langen, and others to expand the program in Minnesota. It has been very popular. In fact I just picked up the newspaper clippings we received in today's mail and you get the local county press which has been absolutely fabulous. We have never had a bad press story in any one of our seven States since we opened our doors to start operation, which is almost an alltime effort.

The other program I include in here is the project KASA, which is actually an Older Americans Act project but it is being considered by OEO for possible funding. There have been a lot of concerns about this. This is a program of employing older men, retired—the elderly poor—to actually go out and do something to help them, if necessary to make emergency repairs, get them to a doctor, get them to where they can get groceries or whatever needs to be done immediately.

Sometimes it is cleaning up. Sometimes it is just a friendly visit or other kinds of things. Sometimes it is a referral. You can use older people in this kind of work as we have demonstrated here.

In this case I think the creative work was done under the Older Americans Act and then we have a couple of community action agencies that are picking up and adopting this program and the creativists moved the other way.

Mr. GOODELL. What is that program?

Mr. CARSTENSON. This is our own version of a rural project. We have found under the medicare alert program, when you found problems of difficulty in many of these rural areas you had no place to refer the problems. In one county, for example, in Newton County, Ark., there are about 6,000 of which 2,500 are older people. There is no doctor, there is no industry, there is no factory or railroad. There is one paved highway. There are still areas where the mail is delivered by horseback.

In fact there is one valley you can't get in by horseback. You have to float down the river—it is back in a hollow.

There is just no place to refer the people that you find. So what do you do? You have to do certain things right on the spot to try to help and then to meet the emergency situations and all this and work up the case and sometimes then by doing this you can call to the attention of the State agency or the employment security office which is off a ways or the mental health clinic which is four or five counties away and things of this sort.

There are very few places to refer people in these rural communities. This has worked in southern Indiana where we have worked with CAP, and in western Iowa, and it has worked very well in these rural agencies where de do not have the agencies.

We have done an awful lot of work with and through and for community action agencies. We have spent a lot of our manpower resources, time, money, and everything else in building many of these camps. We believe in the community action concept, we also believe there is a roll for the independently funded operations, particularly in rural areas.

We have done a great deal to try to build these community agencies.

Mr. GOODELL. Do you have any further comments or observations to make?

Mr. CARSTENSON. No, sir.

Mr. GOODELL. Let me ask you about one further point which has not been mentioned in this presentation. You might have noted in the Opportunity Crusade the proposal for a new three-man council to begin to concentrate on the compilation of data, the correlation of data to chart the course for the future, and to make recommendations to the President and the Congress for changes in programs that affect the poor, for reorganization, and coordination of programs.

Do you have any general comment about that?

Mr. CARSTENSON. I am not quite sold on the way it is put together in your bill specifically. I know there has to be something this way. The way you put the question I think I would have to answer that there has to be more. This commission has to be of a little broader nature. I don't want to be too partisan one way or the other but you might take a look at the Nelson-Mondale bill which has a little broader focus of some of the social concerns, and I think giving it a little broader notion than poverty might be advisable to coordinate or be the equivalent of a social advisor—I don't have the exact right phrase—I know more coordination has to be done, more planning of a broader nature has to be done. I am not sure, frankly, that the thing that you propose there is quite the answer. I am not opposed to it. I can't give you anything specific as better.

Mr. GOODELL. If I understand you correctly you feel that there is a need for something in this area but you are not sure that the precisely defined jurisdiction charter in our bill is the right one?

Mr. CARSTENSON. That is right.

Mr. GOODELL. There are other proposals. You mentioned one which has a broader scope. It is our feeling that the general area of poverty oriented programs is broad in scope and we want it just as broad as it can be within that single objective. This would be an agency whose primary charge would be the programs that are affecting the poor.

You could have a council of social advisers that would have a broader scope. The danger there is, that they would overlap with the Council of Economic Advisers and they would overlap with a variety of other agencies and would not focus enough on what we think is a higher priority item, which is the poverty program.

Mr. CARSTENSON. You have touched on the very matters that concern us relating to the other proposal. Maybe a marriage somewhere in between might be a possible way.

We know there has to be something more. There should be a very direct concern about the more serious problem, the poverty problems.

We have concerns about both of them. Something might be worked out.

Mr. GOODELL. If you have further suggestions or language prior to the time that the committee meets to mark up the bill, you might advance them to the committee or to us and we can give them some consideration.

Our minds are open in this area. It is a new kind of approach, a new proposal. I think I would give to what you are describing—the same comment you give to what is in the bill. I am not persuaded either at this stage and perhaps you can delineate a little more before we got to the markup stage.

Mr. CARSTENSON. I will be delighted to try.

Mr. GOODELL. Do you have any other final comments?

Your testimony has been very helpful and I only regret that there were not more members of the committee present to hear you to profit by it, but it will be in the record and I am sure it will be helpful to them when we are considering the details of the legislation later on.

Thank you very much.

The committee is now recessed until 8:30 Monday morning.

(Whereupon, at 6:05 p.m. the committee recessed, to reconvene at 8:30 a.m., Monday, July 31, 1967.)

ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967

MONDAY, JULY 31, 1967

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EDUCATION AND LABOR,
Washington, D.C.

The committee met at 8:55 a.m., pursuant to recess, in room 2175, Rayburn House Office Building, Hon. Carl D. Perkins (chairman of the committee) presiding.

Present: Representatives Perkins, Green, Thompson, Holland, Pucinski, Daniels, Brademas, Ayres, Quie, Goodell, Bell, Erlenborn, Scherle, Dellenback, Esch, Gardner, and Steiger.

Also present: H. D. Reed, general counsel; Robert E. McCord, senior specialist; Louise Maxienne Dargans, research assistant; Benjamin Reeves, editor of committee publications; Austin Sullivan, investigator; Marian Wyman, special assistant; Charles W. Radcliffe, minority counsel for education; John Buckley, minority investigator; Dixie Barger, minority research assistant; and W. Phillips Rockefeller, minority research specialist.

Chairman PERKINS. The committee will come to order. A quorum is present.

It is a great pleasure for me to welcome you here this morning, Dr. Parkinson. I know the committee is interested in ascertaining your views. Come around and take a seat here.

Let me welcome you, Dr. Parkinson. As one of the leading vocational educators in America, I know the committee will be interested in hearing from you.

Go ahead.

STATEMENT OF GEORGE A. PARKINSON, DIRECTOR, MILWAUKEE VOCATIONAL TECHNICAL & ADULT SCHOOLS

Dr. PARKINSON. Mr. Chairman and gentlemen, I appreciate the privilege of having been invited to speak to you. I have a very brief statement by way of establishing the background for the comments which may succeed, and after this brief statement I would be very happy to answer questions, if I may.

I am Dr. George A. Parkinson, director of the Milwaukee Vocational and Technical Adult Schools. These schools have worked closely with the disadvantaged people of the Milwaukee metropolitan area, the majority of whom are Negroes living in the core of the city, but this also includes a large group of Spanish-speaking Americans who live in a focal point on the south side of the city, a miscellaneous group of Appalachian whites, American Indians, and a large segment of

foreign-born Americans who are learning to acculturate themselves to our way of life. With special reference to the great majority of these who are, as I have said, disadvantaged, we are currently operating a number of programs, in which the Negroes predominate.

A continuation school, or dropout school, in which we have approximately 650 students. Slightly less than half of these are Negroes. I would like to add that approximately 500 of the 650 are currently on parole from various disciplinary institutions.

We are also operating basic education programs; that is, literacy programs through eighth grade completion, in which the great majority of our students are Negroes. Some of these courses are operated independently; that is, independently of other programs. Also some of them are under Office of Economic Opportunity programs, and some of them are related to, and a part of, our manpower retraining programs.

In all of our programs we recognize the need for education and training in an employable skill. That is the business we are in, training people for jobs. But we have found that with these groups of people, the problem is not this simple. The problem is not simple at all. It has become increasingly true that the unemployed people in our community have related problems, including the need for additional literacy training; that is, they cannot read and write, or do simple arithmetic, or they may be people who have had emotional problems, or, in many instances, simply lack understanding for the need for those qualities and habits which will make them an acceptable employee in entry jobs, and things like that.

They have to have their haircuts and keep themselves clean. They need to learn to get along with other people, both Negro and white. In some cases they need to be taught not to discriminate because of religious background or training. We have a great many people, actually three kinds—Protestants, Catholics, and some Mohammedans and other religions, so they have to be taught to get along with the workers and supervisors they will meet in the shops. All of these things have been developed as part of our educational training programs, and in a large measure they constitute the same problems met in the other great industrial and metropolitan areas in the United States.

Among other things these people need to be taught, and are taught that you cannot legislate competence and success. These must be earned, and in our programs we help them to achieve them. When they do achieve a job and start getting paychecks regularly, this is the greatest single impetus to self-respect and morale that they can get.

Among our younger students; that is, those below 22 years of age who are in what we call the youth or young adult group, we recognize that the lack of coherent family life and the lack of family guidance, both from precept and example, are important factors. In fact, we learn that the teacher sometimes becomes the father or mother image to the student.

All of this involves, of course, a careful analysis of the individual problems of each student, and a program which is understood by the teacher as well as the student which helped him in the solution of these problems.

Currently our programs for disadvantaged youth involve:

Automobile mechanics, clerk and general office training at various levels, machine operator training (male and female), power sewing machine operators (male and female), welders, certified laboratory assistants (male and female), clothing alteration women, cooks and countermen, industrial electricians, janitors or custodial workers, mechanical draftsmen, small engine repair, waitresses, gas engine repair maintenance, nurses aides, special programs for older workers (for example, teaching them to take the examination for postal employees), machine molders, sales clerks, and a host of students who are slotted into our various regular programs, of which we have approximately 1,500 different classes, courses—that is, not programs—but 132 programs.

In addition to this, all of those who lack basic education are given an opportunity to at least acquire functional literacy; that is, reading and comprehension at the sixth grade level, and the use of simple arithmetic in actual operational practice, in these programs.

This, Mr. Chairman and gentlemen, is a brief statement of background against which I hope to address myself to any questions you may ask.

Chairman PERKINS. I know you are operating one of the outstanding vocational and technical training centers in America.

Do you find that as a general rule, before disadvantaged youth succeed in a vocational school, that they must be functionally literate, so to speak, or at least acquire functional literacy determined here through the sixth grade?

Dr. PARKINSON. The answer to your question is, "Absolutely yes." An individual has to be brought up to functional literacy or he can't be taught a skill. In fact, he can't become a real person in society unless he has this degree of competence.

Chairman PERKINS. What is the educational level for admittance to your institution, not considering the disadvantaged?

Dr. PARKINSON. We have a complex of six schools, Mr. Chairman, and in our adult school we can take people who are not functionally illiterate, but who are absolutely illiterate, and we move them from there up.

On the other end of the scale, we operate an accredited junior college level institute.

Chairman PERKINS. I want you to explain that to the committee. I know you operate various schools.

Dr. PARKINSON. We can take a person, and do take many of them, who can't sign their own name, cannot read or write, and we take them through a program we call "eighth grade completion," and some of them start at the first, second, or third grade level of competence or reading ability.

Chairman PERKINS. A disadvantaged youngster of that type, how long does it take you to get him that high before you commence to give him other training?

Dr. PARKINSON. That is a difficult question to answer because we are an open admission school, and the variety of competence and the level at which they enter varies so widely.

You can indicate that in certain of our education classes, where we have a group that actually operates at the second and third grade

level, and a group at the fourth and sixth grade levels, and a group within 10 months we can qualify them for an eighth grade diploma, and we give them that.

Then we can train them for entry jobs in certain skills and in some cases, you never succeed. This isn't magic. This is work. We have a high degree of success. We feel we accomplish our objective with about 70 to 75 percent of the people that come to us.

Chairman PERKINS. I believe you must have an excellent placement rate in your technical schools. I am talking about the youngsters with the high school education, or those who started to college and dropped out and are maybe furthering their education. What is that placement rate? It is very high?

Dr. PARKINSON. Well, a year ago last June we graduated about 750 students, and every student except one had a job before he walked across the stage and got his diploma. This year we were about 98 percent of placement.

Chairman PERKINS. You are talking about the ones with a high school education?

Dr. PARKINSON. Yes, sir. These are the ones in an accredited 2-year junior college operation.

Our functional literacy courses, and our manpower training courses, our placement runs about 70 to 85 percent, and of those about 75 to 85 percent will be working at that type of job 2 years later. They won't be working necessarily at the same job, but at that same operational level, so we claim success.

I think that is what we are talking about. Can they get a job and hold a job? Can they keep making money?

We can claim success in about 65 to 75 percent of the people who finish the program.

Chairman PERKINS. As an educator and from your training and experience, I take it that, as you stated, this was not a simple problem, to put it in your own language, when you undertake to deal with a disadvantaged youngster because of this lack of basic education.

He does not understand simple arithmetic, and the chances are he may have an emotional problem, and this type of youngster does not know how to get along with people, and he has not had the family guidance that he should have received.

This type of youngster, to get him up to functional literacy, how long on the average does it take you?

Dr. PARKINSON. We can do an awful lot with the majority of them in about a year.

Chairman PERKINS. In about a year?

Dr. PARKINSON. Yes.

Chairman PERKINS. Then after about a year, you will commence to give that youngster vocational training?

Dr. PARKINSON. That is correct.

Chairman PERKINS. Then it would take another year or 2 years?

Dr. PARKINSON. If you can get him that far, you can train him for an entry job in approximately 12 months.

Chairman PERKINS. Twelve months.

Dr. PARKINSON. And when I say an "entry job," I mean a job where he will be employable and employed, and he will be doing the job properly when he goes on the job.

Chairman PERKINS. Now, Dr. Parkinson, you have obtained a lot of know-how, and I want to ask you whether you have special educational courses and special training for this disadvantaged youngster in your institution. You do, if I understand the situation correctly.

Dr. PARKINSON. May I ask—I'm not quite sure what you mean. Are you talking about the special educational procedures for the student or the training of the teachers?

Chairman PERKINS. The training of the teachers and the training of the disadvantaged.

Dr. PARKINSON. You have to do both. In the first place, the selection of teachers and the training of them after you get them is the most difficult problem that we have.

The reason is this: These kids, the public schools have already failed or you wouldn't have the problem in the first place.

Chairman PERKINS. Yes.

Dr. PARKINSON. If you are training people for jobs, the first thing you have to do is hire teachers who can do that job themselves, so you have a choice of taking skilled workers and making teachers out of them or taking teachers and trying to make skilled workers out of them, and this you can't do, Mr. Chairman.

So in our skilled areas, we take a person with 3 years' training, and equate him on the pay scale with a grade weight from a bachelor's degree, and we give 10 credits, of inservice training, to work them into the teacher skills they have to have. Then we require a continued training from then on until they reach a master's level, or are 55 years old, as long as they are in the school, so this training of teachers—

Chairman PERKINS. Excuse me. One concluding question.

As you know, the Job Corps by and large has a lot of juvenile offenders and a lot of functionally illiterate youngsters, with all of the characteristics that you have described, and I am asking you whether in your judgment we should continue the operation of Job Corps in order to obtain the necessary information that I feel we are obtaining—and you may disagree—for a few years at least, and with the know-how that we are accomplishing, and pass it along to other educational institutions in America, elementary, secondary, vocational, and perhaps to industry?

It has been my view that at this stage of the game, that Job Corps and our vocational schools complement each other. Do you agree with that line of reasoning?

Dr. PARKINSON. In a sense, yes. I am going to talk out of both sides of my mouth.

Chairman PERKINS. All right.

Dr. PARKINSON. I haven't been running a Job Corps camp. I speak as an outsider. Many of the people they have hired to run this are amateurs, and this is a highly skilled operation.

Chairman PERKINS. I agree with you.

Dr. PARKINSON. Second, financially, and this is part of the nature of the beast, they have spent more money than I think you have to spend to attain the object. In Wisconsin I understand they spent between \$12,000 and \$17,000 a year for equivalent full-time students—

Chairman PERKINS. That is the first year of operation?

Dr. PARKINSON. That's right, and they have improved that. I will tell you where I think the Job Corps has a real virtue, and this is this: There are some of these young people who live in the central cores of

the cities, in disadvantaged, broken homes, or where there is emotional tension, who cannot be properly trained unless they are taken out of that environment, and I think that is the unique virtue of the Job Corps.

Chairman PERKINS. You do not maintain that kind of residential center is no good?

Dr. PARKINSON. Oh, no, we do not. The Job Corps spends, even after they economized and cut it down to \$9,000 or \$10,000 a year, but it may be that in this area where you have to take the kid out of the local environment to make it work, the Job Corps has a unique virtue.

Chairman PERKINS. And this is still cheaper than if you have to put him in an institution?

Dr. PARKINSON. Yes. If a man is on public assistance with two or three kids, you are spending \$4,500 a year on him. If you can teach him to earn \$4,000 a year, you have come out with \$8,500. So I have talked out of both sides of my mouth.

Mr. QUÉ. Dr. Parkinson, I welcome you here to the committee. It is nice to see you again. I know it will be of benefit to us to have an individual who is so knowledgeable in operating a vocational school.

One of the controversies we have here, at least between the chairman and myself, is the central issue that vocational education can handle these youngsters who are now going into the Job Corps.

What kind of problem boys and girls go to your continuation school, or what do you call it, "dropout school school"?

Dr. PARKINSON. That is continuation school.

Mr. QUÉ. I know you have a high percentage of young people who have been on parole, and in a scrap with the law, and generally in social difficulties that they have been into.

What is your experience with that?

Dr. PARKINSON. As I mentioned to the chairman a while ago, out of 650 students we have at the present time, 500 were on parole this past year.

To give you a thumbnail sketch, if I may take just a moment, these people come in from homes where there has been tension, broken homes.

Second, they have a high hostility. They resent even people trying to help them. They have a low self-evaluation. They think of themselves as dirt. They don't amount to much—they think that.

Third, they lack a literacy competence to get a job in this society. This is the thumbnail sketch of these people.

The thing that we can do, we have various techniques we have developed—group guidance for example, group therapy. This is a regular part of the program. It isn't something special. The literacy education goes along with it. Then we try to reach for a place where we can start training them for a job, but the thing we are not able to do, and which was in some proposed legislation which didn't materialize, the development of residential schools, where you can take them out of their home environment, separate them from that, and you can work with them better.

If they go back home, and the old man is a drunken bum, he says, "What do you need to go to school for? I only went to the third grade, and look at me."

This is not fiction. Whether you could do this better with the Job Corps or a residential school, I can't answer that, because I don't know.

We find that we are able to do something with about 65 percent of the students who come to us. The other 35 percent, perhaps, we are not touching.

Mr. QUIE. If we expanded the present authority, or at least funded the present authority, would you make application for a residential school?

Dr. PARKINSON. I have discussed that with my board, and they have authorized me to make such an application.

Mr. QUIE. If you did, would this be the same type of an individual who is presently going to the Job Corps?

Dr. PARKINSON. In the main, I think yes.

Mr. QUIE. How would he differ from the ones that are presently in your continuation school, which is a day school? Would they tend to be the 35 percent?

Dr. PARKINSON. They are generally the same type of people, except the residential school would not be a penal institution. In the first place, this is kind of important. This is not a penal institution. It's got to be a place where there is an opportunity to help those people who are deterred from development because of their family situations, not because they have had trouble with the law, or because they are functionally illiterate, but the social background is the difference between the two.

We get both kinds now. I feel that we do not reach some of them. I anticipate we could reach the great majority of those in a residential school, and as I say, maybe you are reaching those in the Job Corps. I have never run a Job Corps camp, and I don't know.

Mr. QUIE. Have you made an estimate of the cost of the residential school? Have you gone that far in your application?

Dr. PARKINSON. I think it would run us between \$3,500 and \$4,000 per equivalent full-time student per year. That is a thumbnail thing, and that has not been refined, Congressman, because until you sit down and actually develop your cost sheets, you can't tell. But I made a preliminary estimate for our board.

Chairman PERKINS. If the gentleman will yield, did that figure of \$3,500 to \$4,000 take into consideration capital outlay expenditures?

Dr. PARKINSON. No, sir. That is operational costs.

Chairman PERKINS. To take into consideration capital outlay, say for a period of 10 years, at what would you estimate the cost?

Dr. PARKINSON. I suppose you would have to add in the neighborhood of \$1,500 or \$2,000 per year per student to amortize your capital outlay. Of course, I think you may amortize it over 10 years.

Our first building, which is still in excellent use, was built about 1917. We just spent \$3 million remodeling it. This is a difficult question, Congressman. That which I am giving you is just a thumbnail guess.

Chairman PERKINS. We understand that. That is about all anybody can give.

Mr. QUIE. We are talking about a program that you could run for \$2,500 or \$3,000 less than the Job Corps?

Dr. PARKINSON. I think we can.

Mr. QUIE. That ought to be of some consideration to the Congress and this committee, if that is possible.

In your continuation school, what is the ratio of male and female?

Dr. PARKINSON. About 40 percent female and 60 percent male.

Mr. QUIE. If you go into a residential school, would this be for female and male also?

Dr. PARKINSON. I think it should be, and I think it properly can be, but you are going to have problems. This is not going to be an easy thing to do.

Mr. QUIE. You figure about 65 percent of those who come to the continuation school will finally finish, and therefore, do you call that 65 percent a success rate, or is there a percentage of the 65 percent whom you are not able to place on jobs when they finish?

Dr. PARKINSON. Many of the 65 percent will not be qualified for jobs because we don't have them long enough. You see, we don't get them until they are 16. In the continuation school, they are not required to stay after 18 by law. Many of them go out like a rabbit in a briar patch.

Many of those will come back in the fall into our adult schools and so forth.

Our success is measured by two things: One, the number of people who get jobs when they leave our school, and add to that the people who return for further training, and that is an increasingly large percent. It isn't as large as we would like, but it is a significant percent.

Mr. QUIE. For those who complete their training in your continuation school, what percentage is placed in a job in the area for which they were trained?

Dr. PARKINSON. The great majority of them are placed in a job for the area in which they are trained, or an allied area. If we train a man to be a food service operator, a fry cook, or something like that, they almost always obtain a job in the food service business.

If you train a man to be a alterations man of a bushel man in clothing alterations, we can place most of those, though we can't place them in the high-class tailoring institutions.

We place them in a allied job in the great majority of cases.

Mr. QUIE. Of those going to MDTA, what percentage receives, or secures, jobs in the area in which they are trained?

Dr. PARKINSON. About 80 percent of those who complete, and we follow those up, and we find out that of the 80 percent who are placed in entry jobs in the area for which they are trained, a year later about 80 or 85 percent of those are still working in that area, though not necessarily at that same job.

Mr. QUIE. What would be a case in the followup a year later in the continuation school?

Dr. PARKINSON. Those kids stay working. They shift jobs, and occasionally they shift areas. For example, they may develop a situation in a company where the company will train them for a different job. They have shown the ability to be a proper employee, and they train with the company.

The great majority continue working where they are placed once.

Mr. QUIE. How do you define a graduate from your continuation school?

Dr. PARKINSON. Does he go from your school to a job, or into a training program—fact that he may or may not get a piece of paper has little to do with it.

Mr. QUIE. Do you call a dropout anybody who enters your school and leaves after 1 day, or do you have a period of days?

Dr. PARKINSON. You are asking me to define what is a dropout from our school. This is a person who terminates for any reason whatsoever before the end of his program.

Mr. QUIE. No matter how long he has been there?

Dr. PARKINSON. That's right.

Mr. QUIE. What kind of program do you require the people from the continuation school to go through before they start their vocational training?

Dr. PARKINSON. First, there is a diagnostic stage in which we analyze their problems, they get psychological testing, they get interviews and counseling, and they go through a diagnostic quarter in which they get the beginning of their group guidance, group therapy, and at the end of that time the students and parents and teachers meet.

School is out for 2 days. They meet and decide the area in which the student is going to work as long as he is with us. That is the first stage.

The reason for that for us, originally in this school a kid would be moved from the automobile shop to the cabinet shop to the foundry, because the teachers didn't like him.

This sets the kid. This gives him a status. He is going to work in a certain field, and it is up to the teacher to see that he moves along in that field, you see.

After that has been determined, he goes into a preliminary——

Mr. QUIE. How long a period is that?

Dr. PARKINSON. That is 12 weeks for everybody.

After that, he goes into a preliminary training period where he is trained—again, he continues in his group guidance and group therapy, his personality orientation. He is trained in the employable arts, what we call pre-employment training. He is taught to be on time, and comb his hair. He has to wear decent clothes so he is respectable.

These things he is taught, and he is given an exploratory training in the field for which we are going to ultimately train him for a job. That is phase 2. That usually runs from one to two quarters.

Then you can really put him in the shop and start training him for employment.

Mr. QUIE. What do you do if a person has, say, a literacy equivalency of less than sixth grade, or one who has more?

Dr. PARKINSON. If he has more than that, he will go rather promptly into job training, but if it is below the sixth grade, he must obtain a functional literacy before he goes into job training. We have to bring him up to that. We call it eighth-grade completion. Actually, it may be second- or third- or fourth-grade completion when he starts.

Eighth-grade completion means he must be able to read at the sixth-grade level.

Mr. QUIE. How long does it take to bring a person up to competency?

Dr. PARKINSON. That is the same question the chairman asked me, and it varies widely. If a person is absolutely illiterate, you may work with him up to 18 to 20 months. On the other hand, if he is bright and catches on quickly, you may be able to bring him up to this level in a matter of 3 or 4 months. It is a question of achievement; not how long it takes.

We keep working with them until they get there. You have to.

Mr. QUIE. What percentage of your students in the continuation school has less than a six-grade equivalency?

Dr. PARKINSON. I am sorry. I can't give you that percentage, because we have two groups there, you see. We have in the continuation school quite a lot of them below that level, but in our economic opportunity programs, which are not in the continuation school; they are separate; these are older people, beyond the age of 18, you have a much higher percent of functionally illiterates.

Many of them are migrants who have come into the community from various places, but the percentage is higher. Most of the drop-outs dropped out of the public and parochial schools in the Milwaukee area, and they can usually read and comprehend around the third- or fourth-grade level, and their problems are not necessarily illiteracy, but emotional or sociological, and other types.

You are talking about a complex problem, and I am sorry I am evasive, but as Churchill's son said in the House of Commons, "I intended to be that way."

You mentioned you have a conference between the student and the family.

Dr. PARKINSON. That's right.

Mr. QUIE. To what extent do you work with the family up to that time?

Dr. PARKINSON. All the time. This is a very important part of our work.

Mr. QUIE. How do you do it?

Dr. PARKINSON. First, the teacher has contact with the family, and then we have guidance people in our school who become—I almost said acceptable to the family, and that is what it amounts to—who knows the family, and the mother and father can feel, when asked, that they can come in and discuss the problems with them.

But please remember this. At least one parent, both if possible, and the student must apply to come to our school. You can't be sentenced to this school. You understand that.

At the end of the time, we expect the student and the family to participate in the decisions for that kid, and this, I think, is very important. At least they all understand it.

Mrs. GREEN. Would you yield for a couple of questions?

Mr. QUIE. Yes.

Mrs. GREEN. Are you discussing residential schools here?

Dr. PARKINSON. No. We did discuss residential schools a little bit before, and their relationship to the Job Corps camps.

Mr. QUIE. To what extent do you use people from the welfare department and build on what they are doing with the family?

Dr. PARKINSON. We establish very close contact with them. Of course, you have a problem there. You have three or four welfare people working on the same family, and this creates complications sometimes, but we have a very close relationship to the welfare department and to the children's court, which is involved here, and we are part of the pattern.

Mr. QUIE. If you had a residential school, do you think you would utilize it for the 35 percent who don't seem to assimilate your program and drop out, or are there additional people in the Milwaukee area who would utilize it—I mean, additional people in the area who commute to the day school?

Dr. PARKINSON. I think many of them would go in there, and many of the people we don't reach could be reached better out of their family environment. So I think half of our dropouts ought to be in a residential school. That half is a scarcely educated guess.

It might be more than that. But we work at these people hard. It is the hard-rock cases we don't get, the 35 percent. Some of them should be, and some of the others should be. How many, I can't tell.

Mr. QUIE. Also, if you had a residential school, would you serve a larger area than the one you are now serving?

Dr. PARKINSON. Yes, as I understand it, and this has been agreed to by our board. We would be a school where students from this whole section of the country would be eligible to attend. I think that our board would expect that the community of residents would pay the costs to the city of Milwaukee. Actually, maybe the entire cost would be borne by the Federal Government.

If it is, that school would be open to anybody in that part of the country.

Mr. QUIE. What proportion is borne by the local community? I know you can work out arrangements within the State of Wisconsin, but what about the students from northern Illinois?

Dr. PARKINSON. I think it would be the same problem. We compute the cost, and the community of residents would defray the additional expense. Beyond that, it is defrayed by the Federal Government, and it wouldn't make any difference to us whether they came from Illinois, or Sheboygan, Congressman Steiger.

Mr. QUIE. It wouldn't cause any more difficulty—

Dr. PARKINSON. I don't see any problems.

Mr. QUIE. If you had a residential school, would this still serve just the dropout who is 16 or 17 years of age, or would it also serve an older age?

Dr. PARKINSON. We anticipate, and again it depends on how you folks write the law, we would anticipate what is called the youth group, below 22 years of age, or maybe you could make it below 21. But we do feel strongly that the school should not take children below the age of 16, because you have not only education problems, but you have social problems and a lot of other stuff. You can't do everything. If you take the age group 16 to 22, I think that is a problem that you can handle.

Mr. QUIE. Thank you, and I will yield back for 5 minutes.

Chairman PERKINS. You can take all the time you want and stay as late tonight as you want.

Mrs. GREEN. I am sorry I was not aware that we were beginning at 8:30 this morning and I was late.

When you were discussing the costs, you said \$1,500 to \$2,000. Was that for a residential?

Dr. PARKINSON. No, you sort of misunderstood. The question at that point was, "How much additional cost per year would you have to add to amortize the capital expenditure of the construction and capital expenses of the school?" and that was \$1,500 to \$2,000.

I anticipated the operational cost would run you between \$3,500 and \$4,000 for equivalent full-time student per year. This is a rough guess. It is based on current teachers' salaries and expenses and so on.

Mrs. GREEN. This would be for a resident students?

Dr. PARKINSON. Yes. In a lone residential school, it was \$835 to \$836, so the figure I gave you—

Mr. GOODELL. That is based on the full amortization of the capital expenditure over a 10-year period?

Dr. PARKINSON. The chairman laid down the ground rules on that, and we are used to doing it in 20 years, and that kind of threw me.

Mr. GOODELL. I want to clarify that. I believe they amortized over a 20-year period in the Job Corps, and it is not very fair to ask questions based over a 10-year period. I take it this would cut in half the annual cost of amortization if they were using a 20-year period.

Dr. PARKINSON. Now, wait a minute. Your maintenance costs have to be figured in there. If you amortize your initial cost, that is one problem. But the maintenance and remodeling from time to time, then that will increase your unit cost.

I would rather, if you will permit, not give you a specific figure more than I have already given you, because that would be subject to refinement even, with a closer study.

Let me illustrate. In public schools in Milwaukee, they are paying \$22 a square foot for construction. In our continuation school, which we commissioned last year, the cost was about \$13 per square foot. It is clean, neat, maintainable, functional—it isn't luxurious or lush, but it works and it is nice.

The speed of amortization of a \$13-per-square-foot building will be faster than a \$22-per-square-foot building, so these are variables that enter into the problem, and it is a little difficult to give you a sort of an off-the-cuff figure.

Mr. GOODELL. I understand. I thank the lady for yielding. All I wanted to do was get clear in the record that the figure of \$1,500 to \$2,000 for amortization was for a 10-year period.

It would be reduced substantially if it were over a 20-year period.

Dr. PARKINSON. Well, it would be reduced some, and I do feel that a 20-year period is more realistic.

Chairman PERKINS. You have the maintenance problem more there.

Dr. PARKINSON. Yes, that is true.

Mr. GOODELL. I got it down to half the cost you got in answer to your question.

Chairman PERKINS. I think the cost for an enrollee in the Job Corps, at the start of your statement, I think it was \$10,000 or \$12,000 that you were taking into consideration as being the annual cost?

Dr. PARKINSON. I think the cost we have in Wisconsin was the first year. The second year was pretty high. It got down to about \$9,500 or \$10,000 the second year. This is pure hearsay. I was not involved in the operation.

Mrs. GREEN. As I understand now, your present cost for running a day vocational school is \$835?

Dr. PARKINSON. That is the cost annually for operations for an equivalent full-time student. We have a formula that relates everything to equivalent full-time students.

Mrs. GREEN. How does that compare, in your judgment, to the other good vocational and technical schools?

Dr. PARKINSON. Much lower than many of them.

Mrs. GREEN. What would you estimate the cost range to be?

Dr. PARKINSON. I would hesitate to do that, because in the smaller schools your unit costs go up. Even in the city of Milwaukee, I think our school is the third from the bottom in unit costs in Wisconsin.

I think it is the question of the efficiency with which you run a plant, are your teachers teaching full time, do you plan your program so that you can keep decent-sized classes, or are you doing tight organization—there are many factors. I wouldn't want to make a guess on that.

Mrs. GREEN. I heard you say one of your requirements for entrance is application by the parent—

Dr. PARKINSON. That is correct.

Mrs. GREEN. What other entrance requirements would you have?

Dr. PARKINSON. That is all.

Mrs. GREEN. There is no test?

Dr. PARKINSON. We are an open admission school. This is part of the magic of it. We don't select students. As soon as you start selecting students, you are automatically excluding the people who need the help worst.

Mrs. GREEN. Have you made a study of the average grade level in your school?

Dr. PARKINSON. No, I haven't personally. I know our guidance people have, but I am not able to give that. If you will formulate your question and mail it to me, I can get the answer.

Mrs. GREEN. I was trying to find out if it compared about with the Job Corps.

Dr. PARKINSON. Every student who comes into the continuation school, he has to be 16 years old, and they may be a sophomore or junior in high school technically, and they still can't read above the fourth-grade level. The grade level is not significant. It is the literacy level that is important, and this is determined individually.

Mrs. GREEN. I heard you say you would not recommend taking youngsters under 16.

Dr. PARKINSON. That is correct.

Mrs. GREEN. What would you do for youngsters who decide they are going to drop out of school when they are 14, and they have nothing but an academic course?

Dr. PARKINSON. I think that is the problem of the public and parochial schools at that level. I don't think it is the function of the vocational schools, which is trying to train people for employment below the professional level.

I don't think our school can do everything. I think they have to define their area of competence and then work at it. I think the public and parochial schools must have the responsibility of training people up to the 16th year.

In the first place, a 14-year-old kid can't get a job. You know that. You have to be 16 years old in our State to get a work permit to start with, so you can't talk about employability of people under 16, and this is the golden thread that runs through our whole operation.

That is employability and social confidence above the 16th year and below of professional level.

Mrs. GREEN. You said that you would be unable to make any judgment as to whether the residential school or the Job Corps would be the better?

Dr. PARKINSON. No I didn't say that. What I said was this: I said that we are educating people for employment at a cost a fraction of that of the Job Corps. We have in general the same type of people, except that there are students who ought to be removed from their home environment when you start to work on them, and it may be that that is where the competence and special function of the Job Corps is. This is what I said.

Mrs. GREEN. Well—

Dr. PARKINSON. That is a little different. Well, OK.

Mrs. GREEN. Let me ask you this, then: Would it make good sense to you to try from the Federal standpoint, to try both of these?

If I understand your views, there simply is not enough evidence to indicate that the Job Corps is the one and only way to handle these youngsters, and therefore we might experiment more and have some residential skill schools, and at the same time maintain some of the Job Corps centers—

Dr. PARKINSON. I don't think you ought to discontinue the Job Corps until you know you can do it better some other way. I think it ought to be maintained until you can do it better.

But I do think, if I can suggest, that there ought to be three or four residential schools started in the United States in various situations and again see whether or not this could be done better than the Job Corps, or do they overlap, or does the Job Corps do it better. I don't think anybody knows at this point.

Mrs. GREEN. That is exactly what I was suggesting, that we don't have a center that will enable us to say, "This is the way to do it."

Thank you.

Chairman PERKINS. Mr. Goodell.

Mr. GOODELL. Thank you, Mr. Chairman.

I appreciate your testimony and I have been following along.

Let me emphasize that neither I nor Mr. Quie nor anyone on this side, as far as I know, are opposing, or would discontinue the Job Corps. We have upward of \$150 million Federal taxpayer money invested in capital facilities in these camps. It is our view that we should transfer the Job Corps from OEO over to the Federal agencies. There would be a 3-year transition period in which they could develop some of the residential centers and retain the Job Corps camps in this period which they feel are appropriate.

You indicated that you have how many students in your continuation school?

Dr. PARKINSON. 650 this past year.

Mr. GOODELL. What was the 500 figure?

Dr. PARKINSON. 500 were on payroll, but a check indicated that 500 out of the 650 were on payroll.

Mr. GOODELL. That is the group you are speaking about on the various placement figures?

Dr. PARKINSON. That and another group. We have the continuation school, 16 to 18. We have the younger group of the MDTA and the OEO programs, which are actually 18 to 22, so we are working with both groups, and as far as we are concerned, the problem is pretty much the same.

Mr. GOODELL. What is the dropout rate in the continuation school, the percentage of those who start with you?

Dr. PARKINSON. There is no dropout rate. They must stay in there until they are 18 years old or else go back to the public and parochial schools, and the dropout rate is practically zero, because under State law they are required to attend school until they are 18. The dropout rate was mainly the 18- to 22-year-old group.

Mr. GOODELL. In other words, have you a compulsory attendance law in Wisconsin until 18?

Dr. PARKINSON. Yes, sir.

Mr. GOODELL. But they may transfer to your school at their own request?

Dr. PARKINSON. And with the consent of the parents.

Mr. GOODELL. How about the dropout, just over 18?

Dr. PARKINSON. We were completing 70 to 85 percent, a 70 to 85 percent completion, and of that figure, about 85 percent of them are working a year later at a similar job.

Mr. GOODELL. This compares to people who are similar to the Job Corps enrollee?

Dr. PARKINSON. Yes.

Mr. GOODELL. I think for the record we ought to make it clear that in the Job Corps we are talking about a one-third dropout rate in the first 3 months, a second third the next 3 months while only one-third go beyond the 6-month period in the Job Corps. And the statistics which we have indicate, that unless they go beyond 4 months they are no better off as far as a job or going back to school is concerned.

Chairman PERKINS. Will the gentleman yield?

Mr. GOODELL. Do you want me to yield?

Chairman PERKINS. You don't think that statement considered all the facts—

Mr. GOODELL. The gentleman has been trying to disqualify the Harris polls ever since it was presented by the Job Corps people.

I am quoting from the Harris poll. I am not giving opinions. This is the only evidence we have to go on. I myself bewail the fact that the only evidence we have with reference to Job Corps placement and the Job Corps enrollees is the ex post facto poll which was done by a professional surveying organization, but that is all we have to go on because they have let all other data get lost.

Chairman PERKINS. I think Mr. Harris himself will explain that.

Mr. GOODELL. I understand, and I am pleased to know he is coming to develop that point further.

Your school takes people who are residents of the Milwaukee area. They have to be within the commuting distance?

Dr. PARKINSON. Oh, no. In our dropout school they must be residents of Milwaukee, but in the MDTA programs and OEO programs, they come from all over the State.

Mr. GOODELL. In other words, they come and get the subsistence allowance that is available under MDTA, they live in the community.

Dr. PARKINSON. They obviously live in the community while they are training. We take them, though, from anywhere in the State.

Mr. GOODELL. Do you feel that residential school planning would have any problems with taking youngsters from the Milwaukee area through a residential facility?

Dr. PARKINSON. No. I think the question which needs to be decided in the case of a candidate for a residential school is this: Will he profit from being taken out of his home environment and being put into the environment of a residential school. And whether his residence is in Milwaukee, or Chicago or someplace else, I think is not germane to the problem.

Mr. GOODELL. You see no problem?

Dr. PARKINSON. There are going to be problems, but I do not think that is one of them.

Mr. GOODELL. I say, Mr. Parkinson, that I agree with this. I agree with the concept of residential facilities for those in need of a change of environment in order to respond to education and training, and I also say that your testimony has been a pretty strong contradiction of the frequent testimony we have had before this committee indicating that vocational education is not doing anything but taking the cream of the crop.

It would appear to me that with your open enrollment policy it would be obvious that with the kind of youngster you are talking about, you are taking far from the cream of the crop in those areas.

Do you see any advantage of having an integrated facility in terms of the level of training being offered by that institution?

Dr. PARKINSON. Yes.

Let me give a specific example: For example, we have high school graduates who come in the institute of technology. That is also an open admission school. They cannot carry the level of work so we suggest a transfer to the adult school, where they can follow a parallel program at a lower level, and a larger percent of them really do transfer, they do complete, they do get jobs and they go ahead. So you provide them with a level of instruction which is within their ability to achieve.

Mr. GOODELL. In other words, you have a fluidity here where they can move from one level to another depending upon the results of the scores, and so forth?

Dr. PARKINSON. Yes.

Incidentally, the mother will tell the neighbor, "My son is going to MIT," even though he has changed the program. It is a status thing, and it has its value, I think.

Mr. GOODELL. You have the exact antithesis of the track system in your school, such as the A level throughout which the students are confined in their school career.

Dr. PARKINSON. You can't kid the student. You can't put him in a program that he cannot accomplish. He has already failed at that, and you must not kid the employer. If you tell him the student is able to do thus-and-so, and he can't, then you can't continue to sell your students.

Mr. GOODELL. What sort of ties do you have in the business-labor community in the Milwaukee area in terms of placement in your schools?

Dr. PARKINSON. We have three kinds. First, our board consists of two members of organized labor, two members of the management, and the superintendent of schools. That constitutes the board.

So there is a tie-in there. We have 51 graduate advisory committees which we have one-third management, one-third organized labor, and

one-third our own school people who sit down around the table and hammer out the curriculums.

Than we have a placement services which works with the personnel services of business and industry in the placement of these students.

Mr. GOODELL. At what point does the placement process begin in your school?

Dr. PARKINSON. When he comes close enough to the completion of a program of training that we feel he stands a chance of making the grade. Then we start working getting him into a job.

Mr. GOODELL. You don't wait until he is graduated?

Dr. PARKINSON. You can't. Most of them have the job set before they are complete.

Mr. GOODELL. In other words, several months prior to his graduation, you are working on his placement?

Dr. PARKINSON. I think 3 to 4 months would be a maximum—less than a semester.

Mr. GOODELL. This becomes very important, does it not, particularly with your lower level school—

Dr. PARKINSON. Yes. The confidence of the employers is very important. If the employer has a part-time job, this kid will work for him on a part-time basis and he knows he develops a certain amount of dependence and competence, and when the kid graduates, he hires him.

Mr. GOODELL. So you have a program whereby youngsters may be doing part-time work with their ultimate employer?

Dr. PARKINSON. Yes. So far we have not given school credit for this part-time employment, but we are thinking seriously of starting that this fall.

Mr. GOODELL. You are aware, of course, that in the Job Corps there is no placement process except in very exceptional circumstances for nongraduate trainees.

Dr. PARKINSON. I understand.

Mr. GOODELL. This is one of the reasons I feel very strongly about the concept of which you are talking. This dropout is a very serious factor in the Job Corps. In the first place, they usually come from a great distance away, and they go back to their home community, and try to get placement, usually by paperwork, a paper referred to the regional office and a paper referred to the local employment office.

That is the extent of the placement operation for these Job Corps terminations.

At the stage, we are apparently relying on getting volunteer groups working in the community to pick them up and help them get placements.

At the end, only a small portion get it.

Do you believe that this entire process, acceptance, counseling, training and placement, can best be handled by a community training facility comparable to what you have described here?

Dr. PARKINSON. Well, of course, your question is a leading question. On the other hand, I think we have the best way of doing it. Obviously, I think that, or I wouldn't be in this business. But I didn't come here, gentlemen, as an expert on the Job Corps. I am not. I have never run one. I know it from the outside, and from what I read in the papers. So I am not competent to speak regarding the Job Corps.

I did indicate that I thought the Job Corps, at least in the beginning, was too expensive. On the other hand, I did also indicate that there are certain types of people that need to be taken out of their home environment. Beyond that, I would feel I should not comment on the Job Corps. It is none of my business, and I don't know it.

Mr. GOODELL. I understand that. We have listened to a lot of testimony on the Job Corps, and they inevitably bring in the comparisons, and what you have said is so dramatically better than anything we have heard from the Job Corps.

Chairman PERKINS. The witness didn't say that.

Mr. GOODELL. No; this is my comment, and you didn't ask the witness to comment on it. He is testifying as an expert on his experience; what he has done in the Milwaukee school.

Do you have any health program with these youngsters? What do you do with the youngster who comes in who needs medical attention or psychiatric attention?

Dr. PARKINSON. We send them to the department of public welfare—wait a minute. You have asked two questions, and I am going to give you two answers.

If the student needs medical attention, he is referred to the department of welfare. We give emergency service through a school doctor and a nurse.

Dental care is the same way, we do not give dental care, but psychological service, particularly as related to employment, we provide, but if they need deep therapy, if they are a psychotic case, then again we go to the department of mental health of the county. We don't give that.

Mr. GOODELL. Do you have a good relationship with the local welfare people on this?

Dr. PARKINSON. It is important, it is essential.

Mr. GOODELL. You do have one?

Dr. PARKINSON. Yes. As a matter of fact, we were involved with them before there was an MDTA or an economic community program. We were getting them placed before the Federal Government ever thought of this thing.

Mr. GOODELL. What are your observations of the referrals when they need medical and psychiatric help?

Dr. PARKINSON. We find they are good.

Mr. GOODELL. Do you normally get the service you expect?

Dr. PARKINSON. Yes. Our relationship is very close. The department of public welfare is extremely well staffed and well organized. They do have a heavy load. Obviously, you know that, but when you say "Do you have frustrations," my God, man, you have frustrations in everything you do.

Mr. GOODELL. I don't want to be in a position of leading you to an answer, so I ask you in a negative way so I won't be accused of leading you.

I want you to give me an honest appraisal of how it works.

Dr. PARKINSON. It works in our opinion very well.

Mr. GOODELL. The record will show I didn't lead you there.

Dr. PARKINSON. May I make a brief comment there, Mr. Chairman?

Chairman PERKINS. Go ahead.

Dr. PARKINSON. We feel the school should realize all the existing facilities of the community and not try to duplicate them all. I think that is the philosophy. You have a library service and a museum. We use those as part of our program. You should use what is available and not replace them with a separate structure, power structure, of your own.

Mr. GOODELL. And the money made available in the Vocational Education Act and MDTA or the poverty program, you have made a decision to do this—

Dr. PARKINSON. My board has authorized me to make application when and if funds are available.

Chairman PERKINS. Mr. Esch.

Mr. ESCH. I have no questions, Mr. Chairman.

Chairman PERKINS. Mr. Steiger?

Mr. STEIGER. Thank you, Mr. Chairman.

Dr. Parkinson, welcome.

Dr. PARKINSON. It is nice to meet you.

I know your father very well, and I have a farm up in your constituency where I spend my weekends.

Chairman PERKINS. I hope you are making money on that farm.

Dr. PARKINSON. I am raising trees.

Mr. STEIGER. It is a particular pleasure to have you here. Your testimony has been excellent. I think your ears may have burned a little when Cynthia Parsons, the education editor for the Christian Science Monitor was here. She said the Milwaukee school is the finest in the world.

Dr. PARKINSON. I think she is very conservative. [Laughter.]

Mr. STEIGER. When I asked her why, she said in two words, the director.

Let me go to a question asked by Congressman Quie. You indicated there are 35 percent who are not now completing the program successfully. Do I understand you to say that you thought a residential center might well serve those 35 percent in a more effective way than the present school, the day school?

Dr. PARKINSON. I said that, and I added one thing, Congressman, and I said that I thought many of the students we do reach might properly be served better by a residential school. This is speculating. What percent, I don't know.

Mr. STEIGER. I think the word you used was "virtue," the virtue of the Job Corps was that it did get a disadvantaged child out of the family and social environment and therefore might make him more able to learn.

The same concept would be a large part of the residential school.

Dr. PARKINSON. It would be the essential part.

Mr. STEIGER. Let's look at Milwaukee. By virtue of the board authorization, to allow you to apply for a residential center if funds become available, where would you put a center?

Dr. PARKINSON. We had thought about getting part of the Bong airbase. It would have to be outside Milwaukee.

I think it has to be close enough to a metropolitan area to provide certain recreational activity, say, over the weekends, and holidays. You can't put it out in the middle of the prairie. I think you have to find a balance between the two.

Mr. STEIGER. Thank you for that. I would agree completely. How much of the time now does your student spend on basic educational courses in the continuation school?

Dr. PARKINSON. It depends on the student. In the first place, I am not sure what you mean. When we talk about basic education, we mean literacy education.

Mr. STEIGER. That is what I mean.

Dr. PARKINSON. I don't mean general education, such as history and so on. In the basic education, the amount of the time the school spends may vary from 100 percent down to 35 or 40 percent, depending on the ability and the competence of the student himself. You cannot answer that question defensively.

Mr. STEIGER. For how long a period of time?

Dr. PARKINSON. Until he can read at the sixth grade level or better, and that may be from a few weeks to a year and some people, a few of them, just never quite make it, so we must be realistic about it.

Mr. STEIGER. In the educational courses you offer, do you attempt to relate the educational courses to the prospective job training course that might be available for the student?

Dr. PARKINSON. The answer to your question is "Yes," and we call this preemployment training. This is obviously a part of any program. Second is our exploratory shops and courses which give him a variety of experience which help him make a final adjustment for his training and employment at a later date. We do both.

Mr. STEIGER. I am very grateful for the fact you can come here today. I share, you know, the pride which the State of Wisconsin has in your institution and in the job you personally do.

I think you are representative of the kind of vocational education that we should have more of in this country. I think you lead the way and point toward the kind of system that I think we are going to eventually have to come to, frankly, in the not too distant future if we are going to head off some of the problems that we have.

One other question which you may not wish to comment on: One of the concerns that I have, and let us point to the Job Corps, specifically, is the fact that we create a system outside of the vocational system, which in large measure, it seems to me, denies to vocational education an ability to build its own strength through residential schools as well as delays the development of a comprehensive vocational school system which will reach a far greater number of young people.

Dr. PARKINSON. I am going to comment on that, because some time ago, in a discussion in this city, I was asked the question what would I do if I were vocational director of the camp. What would I do? And I said I would close it, and I meant that for this reason, and that is, that if you can train 10 students in a school like mine, where you can train one student, maybe, in the Job Corps, for the same money, the need is so great in your great metropolitan areas that I think it is foolish to waste the money on the other side.

On the other hand, as I have tried to be fair this morning, I think that the great magic—if there is any magic in the Job Corps—is the fact they cannot take students out of their home environment.

Chairman PERKINS. This is the type of youngster who is not now being reached by anybody.

Dr. PARKINSON. I think that is true to a large majority. It is an ambivalent situation, Congressman Steiger, and I am trying to be honest and fair about it.

Mr. STEIGER. I appreciate your honesty, but the point you raise is a good point. If the cost per Job Corps enrollee for a year is \$6,900, which is what they say now is the cost, as compared to what you said—

Dr. PARKINSON. \$835 per student.

Mr. STEIGER (Continuing). The \$835 for your school, you are then multiplying the number of students that can be reached and yet servicing in your institution the same kind of people. As a matter of fact, I think today the Job Corps is going away from parolees because of some of the criticism that has been raised, but you have 500 out of 650 who are parolees that you are servicing. Certainly, they are among the most disadvantaged.

Dr. PARKINSON. You can't get more disadvantaged than that, I'll tell you.

Mr. STEIGER. Thank you.

(The following letter and enclosures were subsequently received for the record:)

MILWAUKEE VOCATIONAL TECHNICAL AND ADULT SCHOOLS,
Milwaukee, Wis., August 1, 1967.

Re Residential Vocational School.

Hon. CARL D. PERKINS,
Chairman, Committee on Education and Labor,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN PERKINS: It was a pleasure to appear before your committee yesterday morning in Washington and discuss the problems related to vocational and technical education and basic education.

During our discussion the question of the function of a residential vocational school was brought up and, as you may remember, I am strongly in favor of this, particularly since I feel that the problem before us is a permanent one and merits a long-time permanent solution.

Enclosed you will find a copy of the action of our Board authorizing me to make application for funds for such a residential school if and when the Congress sees fit to fund at least the pilot schools. Also you will find enclosed a copy of our "letter of intent" to make such application which was written last year, and action of the Milwaukee Board of School Directors approving our intent.

Sincerely,

GEORGE PARKINSON.

JULY 18, 1966.

Dr. WALTER M. ARNOLD,
Director, Division of Vocational and Technical Education,
U.S. Office of Education,
Washington, D.C.

DEAR DR. ARNOLD: I am writing you regarding our interest in a residential vocational school, if and when these are funded by the Federal Government.

It was very nice to see you at the hearing last Thursday morning, and I am sorry we did not have a chance to chat afterwards. I was impressed at the hearing by the interest of the committee in the residential school.

Enclosed you will find two actions; one by the Milwaukee Board of Vocational and Adult Education, and a concurring action by the Milwaukee Board of School Directors, which indicates a high degree of interest in this possibility. This letter is primarily to have on file in your office as an indication of our interest at some time as it will be appropriate.

Sincerely,

GEORGE PARKINSON, Director.

3374 ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967

REGULAR MONTHLY MEETING OF THE LOCAL BOARD OF VOCATIONAL AND ADULT EDUCATION WILL BE HELD ON WEDNESDAY, APRIL 13, 1966, AT 2:30 P.M., IN THE OFFICE OF THE MILWAUKEE VOCATIONAL TECHNICAL AND ADULT SCHOOLS.

ORDER OF BUSINESS

1. Roll Call
2. Consideration of bids and awarding of contracts
3. Reading of the proceedings of the previous meeting
4. Bills
5. Salaries
6. Director's Report

REPORT

MILWAUKEE, WIS., April 13, 1966.

LOCAL BOARD OF VOCATIONAL AND ADULT EDUCATION,
Milwaukee, Wis.

GENTLEMEN: Personnel Report and Recommendations—Supplement I; Financial Statement—Supplement II; Action Items:

1. Jurisdiction of Local 587-AFSCME for clerk-stenographers in the central stenographic services. Local 587-AFSCME has requested jurisdiction for the Clerk-Stenographers, Classes I, II, and III, employed in the Central Stenographic Services. A check of our records indicates that they have a majority of the membership of this group in Local 587.

It is recommended that this request for jurisdiction be granted without election.

2. Residential Vocational School—Supplement III. It is recommended that the Administration be authorized to prepare and submit to the Department of Health, Education, and Welfare a request for a preliminary grant for the planning and architectural services for such a school, and that we be authorized subsequently to make application for an actual construction and operation grant. (Passed Unanimously)

3. Public Comment on Action Items (Note: members of the public who speak are asked to do so with reasonable brevity, and reasonable slowness, so that their comments may be taken down by the recorder.)

Information items:

1. Progress Report on Science Center Addition Project No. Wis. 3-0090 (Continuing Education Center) as of March 31, 1966.

CERTIFIED COPY OF RESOLUTION

By Directors Thomas Brennan, Walter B. Gerken, and Milan Potter:

Resolved, That the Milwaukee Board of School Directors support the Milwaukee Vocational School Trustees and Director in their request for funds from the federal government for the construction and operation of a residential vocational school, under the Vocational and Educational Act of 1963.

I hereby certify that the foregoing is a copy of a resolution adopted by the Board of School Directors of the City of Milwaukee on July 5, 1966.

A. A. XINTON,
Secretary-Business Manager.

JULY 12, 1966.

Chairman PERKINS. Mr. Thompson?

Mr. THOMPSON. I have no questions. I just arrived. Thank you.

Chairman PERKINS. Mr. Holland?

Mr. HOLLAND. I have no questions.

Chairman PERKINS. Mr. Pucinski?

Mr. PUCINSKI. I have no questions.

Chairman PERKINS. Mr. Daniels? Any questions?

Mr. DANIELS. No.

Chairman PERKINS. While we are waiting for Lou Harris to come before the committee, and he is on his way to the committee—

Mr. PUCINSKI. Mr. Chairman, as long as we have time, I would like to ask one question.

Chairman PERKINS. Well, I was going to call on another witness for a minute. I think we can call a gentleman named Brailey Odan,

president of the Orange County Economic Country Inc., Orlando, Fla.

He sent a telegram in here. He does not have a prepared statement, and I told Mr. Goodell we would not call him until later in the day, but inasmuch as Mr. Harris is not here, I want you to prepare this.

Let me thank you, Dr. Parkinson, for your appearance before this committee. We know the quality of the institution you operate, and we are all proud of it. It speaks well of you.

Dr. PARKINSON. It is a pleasure to appear before you, and I have tried to be as accurate and as far as I can.

Chairman PERKINS. Mr. Harris, it is a great pleasure for us to welcome you here.

The surveys that you made bearing on the evaluation of the Job Corps placements and other data disclosed by the survey has brought about considerable discussion before this committee ever since we initiated the hearings.

We are delighted to welcome you here, and I regret that I was unable to give you earlier notice than last night at midnight, but we are glad that you are here because much of the data, as I understand, happens to be outdated, in my judgment, because the Job Corps had many shortcomings during the first year of operation, and the Director has taken advantage of the mistakes that were made, and it is a much more efficient operation today than it was a year ago.

We are glad to have you before this committee.

Identify yourself for the record. I understand you have a prepared statement, and you can proceed in any manner you prefer.

STATEMENT OF LOUIS HARRIS, PRESIDENT, LOUIS HARRIS & ASSOCIATES, INC.

Mr. HARRIS. I am Louis Harris, president of Louis Harris and Associates, Inc., One Rockefeller Plaza, New York, an international research organization with facilities in each State of the Union. We have also done work abroad.

May I read the statement, Mr. Chairman?

Chairman PERKINS. Yes, go ahead and read the statement. Do you have copies of the statement?

Mr. HARRIS. Yes, sir; I believe they are being handed out now, or should be.

My purpose in appearing before this committee today is to discuss some of the findings of the four studies our firm has conducted for the Job Corps over the past 7 months. I believe all four studies have been submitted to this committee. The four surveys are "A Study of Job Corps 'No Shows,'" "A Study of Job Corps Nongraduate Terminations," "A Study of August 1966 Terminations from the Job Corps," and "A Study of November 1966 Terminations from the Job Corps."

Let me emphasize at the outset these facts:

In no way do I come here as an advocate or opponent of the Job Corps. Our task as professionals is to obtain the facts of what happened or did not happen to Job Corps applicants, "no shows," "discharges," those who are asked to leave the center, "dropouts," those who according to the Job Corps and its specifications simply had not completed the work, and the graduates.

We tried to survey all of these as objectively and definitively as our research would allow.

As objective, professional social scientists, we have avoided sweeping generalizations, such as that the Job Corps is "good" or "bad." Others might draw judgments from our data, and I gather by the committee hearings some have already. We avoid such generalities, however, because our task is to report, not to sit in judgment. That is the task of those vested with the responsibility of running the Job Corps, the OEO, and the Congress itself.

In the course of our studies, our primary purpose was to turn up areas of both strengths and weaknesses in the Job Corps program and to report them factually and without reservations or qualifications other than those inherent in the results themselves. For the only way in which the Job Corps can be made more effective—at least in my view—is to look at the facts without sugarcoating, to capitalize on its strengths, and to find amelioratives for its weaknesses.

Our reports are an accurate reflection of the Job Corps as it existed in 1966, not necessarily as it is today. In fact, if the Job Corps were the same today as in 1966, we would find this condition discouraging for it would mean that our studies had not been used to their full potential. The basic purpose of any applied research is that the results be applied into action.

It is our understanding that changes have been made as a result of these research efforts. Among them are these: Job Corps screeners have been instructed to give recruits a much clearer picture of the Job Corps on initial contact; the orientation program has been changed to try to make it more effective; the Job Corps behavior code has been tightened; discharge authority at the centers has been facilitated to move faster to enforce discipline; efforts have been instituted to obtain greater minority representation on center staffs to alleviate problems of racial tension; an effort is being made to improve the feedback to corpsmen on how they are doing while at the centers; the time between the initial screening and assignment has been shortened; and new corpsmen have been assigned to centers nearer their homes.

All of these stemmed directly or indirectly, as I understand it, from the results of our reports.

Having said this, however, I want to emphasize that we cannot today document that solid progress has been made in any or all of these areas. We hope that future research of a practical and operational nature will measure rather precisely just what progress has been made in what has been called, the new Job Corps.

The point is that such research can uncover problem areas, point to potential courses of action, and then establish the effect of such action when taken. I might add that this kind of social inventorying is sorely needed for the efforts of governmental and private sectors on many levels.

Our job has been to find out what has happened to these young people out of their total experience with the Job Corps. We have tried to seek out a true-cross-section of them, find the level of gravity on which they can communicate to us, and then systematically probe them on their past, present, and hope for their future.

They are our only source of basic information. We are reflecting what comes out the other end. Obviously, their answers in some cases will be impressionistic and not necessarily entirely accurate.

We are sure we have talked with representative cross-sections of each group surveyed. We are sure our questioning was penetrating and in depth. We are sure we obtained a full reading on their impressions of what the Job Corps did or did not do to or for them.

Obviously, more precise figures on their hourly wages could have come from their employers, as could the length of their job tenure, their hours of work, and the precise definition of the job they are engaged in, or the degree to which they are demonstrating skills learned in the Job Corps.

Yet a major part of the purpose of the Job Corps, as we understand it, is to help shape these young people as total human beings who can function positively and contribute usefully to society.

Much of whether or not this function is fulfilled depends on what has and is going on inside them as people. Here, by use of this method of survey research, we can obtain as insightful and as sound a reading as by any method now available. In fact, what happened to those young people as human beings may in the long run go much further toward determining the real long-term effectiveness of the Job Corps than whether immediately their hourly wages are going up 20, 40, or 80 cents an hour or whether they are among the upper third or second third as engine mechanics today.

Within these limits, there are some findings which ought to be restated from our reports:

Among those who were accepted in the Job Corps, those who never showed up at a center, are the ones called the "no shows." The key reasons were that they found a job, they lost interest in the rather long period between acceptance and assignment, they were needed at home, they didn't want to go so far away from home, and they had heard bad things about the Job Corps.

Among the so-called dropouts, the main reasons for their not completing their tour in the Job Corps were too many fights, lack of proper training, homesickness, and racial friction, especially whites with Negroes.

Among the August and November 1966 terminees, we found that the longer a corpsman stayed in, the more positive his experience, the higher he became, in his own estimate, in the Job Corps.

The longer he stayed in, the more useful he felt his training was, but even those who were in less than 90 days had a more positive experience than those who never showed up for the Job Corps in the first place. A majority of those who went through the centers thought the training helpful. Perhaps more important, a majority of those who went through the centers felt better off as people now than they did before they arrived. Currently, increases in rates of pay are higher for graduates than for dropouts, higher for dropouts than for discharges, and even higher for discharges than those who never went to the Job Corps at all.

Having said and reported all of this positive news, it would be the height of folly and plain nonsense to conclude therefore that all was great in the Job Corps and that the millenium had been reached in finding the perfect way to rescue, refurbish, and regenerate these most deprived young people.

Clearly, all that has been made is a beginning—and all we have measured is the 1966 beginning in what has been called the old Job

Corps. Unfortunately, measures were not made comparable to those in 1965 and 1966, so comparisons are not even possible to see if the trend in late 1966 was up or down. In our measurements, we are at the beginning as well. Often I fear that single readings in a point in time are taken as a reflection of what the quality of life is or the impact of a program is for all time.

If I might, I would like to conclude by reporting on an analysis we did of the four studies in terms of the success and failure patterns of Job Corps men, as they emerged from the facts:

From our studies of Job Corps terminations—graduates, dropouts, and discharges—we have extracted certain key factors which help to explain the relative success or failure of an individual in the Job Corps. As a measure of success we used length of stay—the more successful corpsman is the who stays longer. Not only is his adjustment in the center better, but he is more likely to find his Job Corps experience useful. After leaving the center he is more likely to have a stable job and higher earnings than the corpsman who stays for a shorter period of time.

Now we have a series of elements here which contribute to what we call success pattern and failure pattern in terms of where they end up after the Job Corps. No. 1. The older ones are more successful, the younger ones are less successful.

No. 2. Those highly motivated to join, expressing a direct interest in the Job Corps are more successful.

Having nothing better to do, falling back on the Job Corps because of lack of other alternatives, tends to contribute to failure.

No. 3. Eagerness of first time away from home. Willingness to be away from home for the first time and the freshness of a new experience contribute to success.

Having nothing better to do, expressing a secondary interest in the Job Corps, falling back on it because of a lack of other alternatives contribute to failure.

Been around—travel and new places have no particular attraction; the youth is jaded from past experience.

No. 4, hungry for skill training—sees the Job Corps as a means for providing skills that may open up a good job and possible career opportunities. Just another experience—will accept job training but approaches it with some indifference, less interest in career development.

No. 5. If they regularly attend religious services, this tends to be a tipoff that they are likely to be a success. If they never attended religious services, it is a tipoff that they are likely to be a failure.

No. 6. If they had serious trouble in school, or likely to have had trouble with authority while in school, this is on the failure side.

No. 7. Next, eager to get away from home. This is on the success side. Interested in leaving the home environment and striking out on his own. This individual is more likely to move away from home after the Job Corps.

No. 8. Priority to school over economic pressure—more likely to finish high school.

Priority to school over economic pressure, this is on the positive side. It is an interesting one. They are more likely to finish high school. If they did not finish they are more likely to leave because

they did not find school particularly stimulating or worthwhile. The fact is that school failed in stimulating them.

If they say economic pressures are more important than school, they are more likely not to have finished school and to have left because economic needs were considered more pressing than the need to finish school.

No. 9. Not failing in school, schoolwork is not too difficult to handle. This is on the success side.

On the negative side, failing in school, found subjects in school difficult, reading often even a problem.

No. 10. Out of work but want job training. Being out of work and untrained is recognized as a serious problem. The failure pattern can take or leave work in job training. Unemployment and lack of job skills are not felt to be harsh handicaps to future growth.

No. 11. Can live with different race—racial prejudice is a muted factor in this group's background and will not deter them from success in the Job Corps.

You take those elements, and we translate these into more general psychological factors which help to explain the success or failure of the corpsmen, and we get these generalizations which are psychological, but I believe are critical.

1. Desire for independence. To be one's own. One dominant mark of the successful corpsman is his willingness and eagerness to be on his own, to try to make it by himself away from the stultifying home environment.

2. Unspoiled provincial. The success approaches the Job Corps with a sense of freshness. For him, it is a new experience and his past, however, depressing, has not made him indifferent or blase toward the opportunity it offers.

3. Respect for organized society—society has not been good to him but he has not lost touch with its values, nor fought its established institutions. Work and career development are goals he feels are worth striving for.

4. Recognition of low plight. The successful corpsman is likely to be well aware of his real situation but feel that it is not necessarily permanent and that there is a different and better life.

5. Desire for upward adjustment and change. The combination of the above factors leads to a strong desire for upward adjustment.

This youth means to exploit to the fullest any opportunity to improve his situation and will take full advantage of the Job Corps.

Now we turn to the failure pattern.

1. Crutch of dependence—protected by dependence. The relative security of home, the protection it affords keeps these individuals from becoming independent and able to accept the new and more hopeful opportunities which the Job Corps offers.

2. The cool facade—having "been around" and having turned bitter from past disappointments, there develops an indifferent, blase attitude toward the world, a cool facade that hides his discouragement and insecurity.

3. Rejection of organized society. The sense of failure has turned him against society. He is likely to have left school and rejects, through indifference, the goals society would have him support.

4. Taking low plight for granted. The failure knows but one way of life, that of poverty and hopelessness. He does not see that he may

have a choice. His environment has beaten him down to the point where he feels it is useless to try and rise above his low state.

5. Floating along the bottom and resisting change. With little hope for the future, this group must be pressured to accept change, but pressured gently, for their willingness to submit to their present position is a measure not only of their hostility toward society, but of their fear of change.

As a researcher, as a citizen, I cannot escape the consequence of my work. Nor will facts or knowledge alone accomplish the task. But we are all so very much at the beginnings of comprehension and yet the explosion of the present must be contained with the tools and weapons at our command. I cannot imagine a higher purpose than this matter which your committee is engaged in. It has now become a central, if not the central question, of all of our times for the rest of our lives.

These profiles, I should suggest, go beyond simply a measure of potential successes and failure in the Job Corps. The failure pattern, if allowed to continue without remedial care in society at large, can lead to catastrophic consequences for this Nation.

The profile we have just seen of the "failure" of young people I believe would check out precisely with that group in the ghettos of our cities who are the fodder for the tragic riots we have witnessed in the past 6 weeks which indeed were exploding last night and this morning in Milwaukee, Portland, and other cities of our Nation.

The success patterns show us what must be done to young people so that they are not candidates for the future armies of future insurrections and riots.

The cost to this country of not recognizing the need to take drastic action in the case of the "failures" can be seen in the burnt out shells along 12th Street in Detroit and Springfield Avenue in Newark. Dollar estimates for all of the damage of these past weeks of rioting runs in some estimates to \$500 million or more.

To allow the "failure" pattern to proliferate is to allow our civilization to go hell-bent to greater infernos of destruction.

To turn the "failures" into "successes" can now mean the difference in the survival of American society.

Obviously, the implications of these findings goes well beyond the Job Corps and its fate this year or next. But I would suggest that the urgency for action in the area of deprived young people is great, for the consequences of inaction are grim.

What all of us do now will be sorely judged for generations to come.

Thank you, Mr. Chairman.

Chairman PERKINS. Thank you, Mr. Harris.

I think we will operate on the 5-minute rule.

In the administration there is a proposal that we will spend \$295 million in the Job Corps this year, and the other proposal proposes to cut back the expenditure to \$109 million in the next fiscal year.

I wonder from your study would you be able to state whether, if we did cut back, that we would allow the failure pattern that you have now pointed out so well, to proliferate and become much worse in the future.

Would you state that from the study that you have made? Should we continue the funding of Job Corps at the present level?

Mr. HARRIS. Mr. Chairman, may I say this? I am not an authority on the budget of the Job Corps, and when you say the difference between \$295 and \$109 million, I believe the only thing I can read into that is that it has been suggested that less money be spent on the Job Corps.

The only answer I can give to that is quite nonspecific as far as the Job Corps is concerned. I think you can say quite generally that, if this Government of ours is not to spend more on these problems, then either a way must be found for the private sector to spend more money or we must suffer the consequences; if we cut what the Government will do, or the private sector will do, the consequences are apt to be drastic.

This is an opinion I don't mind expressing. We have reached crisis proportions in terms of young people. Not a majority of them, but a minority of them, who have really gone beyond the pale, beyond the bounds of organized and normal society. I know we have developed wholly new methods of reaching these people which we never had before. They can be reached. They can be reached physically. When you do reach them, I think one of the gratifying experiences we have had is that they will talk, and talk very freely.

They are not incommunicable. But if they are left alone, then we can only expect the worst.

Chairman PERKINS. From your observation and from your studies, and the social inventorying you talked about, has the Director taken advantage of those studies and put those in operation and now we have a more efficient Job Corps?

Mr. HARRIS. Let me answer it this way, Mr. Chairman, by saying that I think the present Director of the Job Corps has taken the results of these studies, and what I would say applies even to private industry, who have done a lot of this, or in other areas, other sectors, I would say that he is taking these results very positively and, to my knowledge, has tried to do something about them.

I can't say decisively how effective what he has done has been, because, quite frankly, I think these changes have been done in the last 6 months or so—that is my impression—and I think, again, the results of this will not be evident until we see 6 months or so after the latest crop of graduates have finished. But certainly I will say this. I am impressed by the fact that not a single harsh fact that may have emerged from these studies has been shied away from. To the contrary, it seems to me they have welcomed as pointing up areas that need rectifying and change and improvement.

That, to me, is a rather healthy sign.

Chairman PERKINS. Let's just assume that your four studies were being made at the present time, the study of the Job Corps nongraduate terminations, the study of the terminations from the Job Corps, and instead of being made in various months in 1966, do you feel that the results today, if your studies were current, would be much different?

Mr. HARRIS. Mr. Chairman, I would be less than professional if I speculated on them. I have to go by fact, and I cannot even presume to say that they would show a great deal of difference.

Generally, well, when changes were made, some of them have a positive note, and positive notes probably emerged, but I cannot say that decisively.

It would be gross speculation, contrary to what my professional judgment must be.

Chairman PERKINS. Mrs. Green.

Mrs. GREEN. I read your four studies, and felt they did a valid job, and certainly should offer some constructive alternatives.

Are you now, or have you conducted other studies for OEO, or are these four the only ones?

Mr. HARRIS. No, ma'am, these are the only studies we have conducted for OEO.

Mrs. GREEN. Have you conducted other studies on the Job Corps besides these four that would be available to this committee?

Mr. HARRIS. No, these are the four we have conducted.

Chairman PERKINS. Mr. Quie?

Mr. QUIE. Mr. Harris, are you conducting any studies now other than those four under contract with OEO?

Mr. HARRIS. Not at the moment; no, we are not.

Mr. QUIE. So these four studies—

Mr. HARRIS. Congressman, I think there are plans to do other studies in the future. For example, among the August termination group, I think we plan to go back and see what they look like a year later.

We saw what they looked like 6 months later. And we are trying to go back a year later and then 12 months after that, so we can see in time what happens to these young people.

If I might point this out, I think that one of the things that ought to be measured here is not only what is the immediate impact upon termination of the Job Corps, but what happens to them over a period of time.

The impact of training, the impact of what they have learned in terms of character building and other such elements don't necessarily show themselves in a single point in time, a month, 2 months, 3 months, 6 months after graduation.

There can be, as a matter of fact, events and circumstances in many people's experiences which come out even years later.

We would hope, by studying them over a period of time that we find out a more full picture of what indeed was the effect of this Job Corps experience in their lives.

Mr. QUIE. Do you expect to make a study of the 1967 terminations?

Mr. HARRIS. 1966.

Mr. QUIE. Well, you did 1966.

Mr. HARRIS. Well, tomorrow begins the year after they have been terminated. I think the plan, as I understand it, is to go on and take several successive graduating groups.

For example, the November terminees, which are surveyed, we surveyed them in May, 6 months later. I think the plan is to go back a year after the first interview and survey them and then 12 months later.

So we can see, if you take the November group, if you take the February 1967 group, if you take the May 1967 group, if you did this on a quarterly basis over time, you would see if there are improvements in both the short- and long-term impact of the Job Corps program. So I think we will be in a position to do this.

Mr. QUIE. Going through your pages of analysis of what make a success and what make a failure—

Mr. HARRIS. Yes?

Mr. QUITE. You have 11 points on comparison of the person and 5 points on psychological success and failure.

By reading that, I come to the conclusion that if a young person is well adjusted before he goes into the Job Corps, he has a good chance of being a success. If he is poorly adjusted, there is less likelihood for success.

Doesn't that say that if these young people are successful before they enter, they will be successful when they come out, and if they are a failure before, they will be so when they come out?

Mr. HARRIS. Congressman, I am not sure I agree. Almost by definition, very few of those in the Job Corps are successes before they come into the Job Corps. The curious thing, I think, is that by circumstances in many cases, and probably almost all beyond their control—let's face it, they are the bitter end, bottom run of society.

The interesting thing is that despite this experience some are—some can have that kernel or light of hope within them. This seems to me to have been very important.

I wouldn't certainly ever say that the ones who succeed were successes before they come there.

I think the fact of the matter is that there are things in them which the Job Corps can bring out.

Just take item No. 2, unspoiled provincial. This is quite surprising to me; particularly I was struck that young Negroes out of the ghettos from the large cities, you get them in the conservation centers, and it is like a whole new world opening up. They literally are like young hicks from the city, if you want to put it that way. It is a curious thing. They react terribly well to this. This is a whole new world, and exciting kind of thing. It gives them a view of life that they never had before.

Now I wouldn't say that is success or failure in terms of before they got there. This is a state of mind.

Chairman PERKINS. Mr. Thompson?

Mr. THOMPSON. Mr. Harris, I, too, as I would suspect most members of the committee, have had an opportunity to review the four studies which were given to us.

Your report of trainees that left the Job Corps centers in August of 1966, only 23 percent say that they used their training in their work. Do you consider this a failure and, if so, what lies behind that failure?

Mr. HARRIS. Well, Congressman, let me say that I have seen this in the press, and I gathered from the hearings here that a great deal has been made of the fact that somewhere around one in four of these corpsmen say they are using the job skills that they have learned in the centers.

Let me say that actually we found about 23 percent who said that they are using the training they received on their present job. This runs considerably higher, up to 35 percent, I believe, among the people who are graduates, and 42 percent among those who stayed over 6 months.

That is an appreciable difference.

The real question, it seems to me, and in making a judgment about this, I might suggest the committee has to decide what is par for the course, is what is the level which is fair to say any program should give people.

The only figures that I have seen are a study connected with the Ford Foundation of, I believe, 100 vocational schools and 100 general high schools. It showed that 30 percent were using their skills upon termination. If so, then the Job Corps figures, where 35 percent of the graduates and 42 percent of those who are in there 6 months or more are using these trainees are higher.

Now, having said that, I would certainly feel very remiss if I said that that therefore proves the Job Corps has been an enormous success, a greater success than vocational education schools and so on. I think the fact of the matter is that all through any organization greater effort must be made to train better and have this training applied better, and if the Job Corps were to take those figures as a measure that all is wonderful and no improvement is needed, I think they would be sorely remiss.

But it seems to me that the 23-percent figure, or the 35-percent figure, is not too far out of line.

If I might add, Congressman, there is another figure. We asked them about how much satisfaction they had with the training, and I believe the figure there was 56 percent of all terminees, 71 percent of the completers, and 75 percent of the corpsmen in training over 6 months felt better off now compared with before the Job Corps, and 65 percent of all terminees, 76 percent of all completers, and 82 percent of those in training over 6 months felt the training was helpful.

That is what they said.

Mr. THOMPSON. Mr. Weeks, who originally wrote a book on the survey, showed that for every victory there were six defeats, and that there were more dropouts—I didn't read this in your survey.

Mr. HARRIS. I can look this up, Congressman, but usually figures stick right in my mind, and I would say that this is not true. I would say that, in fact, as I remember it, 38 percent of the dropouts were unemployed at the time we interviewed them as against 41 percent before.

Mr. THOMPSON. Another witness stated that the results of their survey—this was the chamber of commerce—and yours, were both off base because those youngsters who were unemployed were the hardest to reach, and therefore you most likely reached those who were employed.

Would you care to comment on that?

Mr. HARRIS. That just isn't true. The fact of the matter is, and I think the Bureau of the Census can bear this out in the regular unemployment surveys they conduct. The quickest people to reach, the easiest people to reach are the unemployed. There is a perfectly good reason for this.

The unemployed have less mobility. They haven't the means to go beyond their own neighborhood, so they are in and around their homes.

Since they don't work, they are at home a great deal more. If they are not at home, they are in the block at one place or another. We have always found this, and one of the things we try to take precautions on is trying not to have an oversample of unemployed.

Anyone who has ever walked through a low-income neighborhood is always struck by the fact that men who are unemployed are sitting around on the street. They are always sitting in their front parlors at 2 o'clock in the afternoon or 11 in the morning.

So the unemployed are easier to get rather than harder to get.

Chairman PERKINS. Mr. Goodell?

Mr. GOODELL. Do you want to complete your statement?

Mr. HARRIS. I was going to say that my feeling would be that if anything, we probably overestimated the number of the Job Corps trainees who have been unemployed rather than underestimated it. We have good reason to believe that.

Mr. GOODELL. The gentleman from New Jersey asked a question which he said has been reported. I think your studies bear out the statements that he quoted with reference to the experience of Job Corps enrollees who did not complete the training.

In your first report on page 10, and this is pre-Job Corps activity, we find that 56 percent of them were working prior to going into Job Corps, and that 12 percent of them were in school, 56 percent working and 12 percent in school.

Then on page 56 of your report stating what they are doing now, from the followup after they had completed their experience in the Job Corps, 56 percent were working and 10 percent were in school.

On page 57, you conclude, and I quote:

Overall, there is no reported change in the number currently employed compared to their pre-Job Corps status. The number in school has dropped slightly. Unemployment has increased slightly. Group by group there are some slight variations in this pattern.

This is from your initial survey of total Job Corps terminations, I believe, in August of 1966, presented in January of 1967.

Is that not correct?

Mr. HARRIS. What page are you reading on?

Mr. GOODELL. I cited the pages, page 10 and then pages 56 and 57 in the first study.

Mr. HARRIS. May I comment on that, Congressman?

Mr. GOODELL. Yes.

Mr. HARRIS. We found, on page 15, of study 1709, March 1967, the study of August terminations, we have "what were you doing just before joining the Job Corps?"

We learned something subsequent to doing this, and as a matter of fact, we didn't change the data at all when they submitted to the committee. The fact of the matter is we changed the way we asked this by dint of the fact we learned a great deal.

We asked "what were you doing before you joined the Job Corps?" And we found that the number who said "working" was 58 percent. The fact of the matter is that this was not tight questioning. I say not "tight questioning," because what we have found was, when we went back and inquired further of them, we found that what they meant by before they joined the Job Corps would be anything from 3 to 6 months before. We found that in the next study. You can see the effect, which I think is a much better measure.

We asked them what they were doing—this, I believe, is in the fourth report, May 1967, continuing study of Job Corps terminations, wave 2.

If you go to page—I have it for you here—

Mr. GOODELL. I have those.

Mr. HARRIS. At page 9 you will see that the figure went down to 44 percent. We have reason to believe 44 percent is a much more accurate

figure, because what we did was pin them down with a series of questions. "What were you doing in the week, a month, 2 months," and so on, "before you went into the Job Corps?"

In fact, what you find when you look at post-Job Corps experience, on page 16 of that same report, you take "what did you do immediately after the Job Corps?" 53 percent were working and then you say "what are you doing now?" That is on page 20—here it is, current status, working, 58 percent.

The fact of the matter is that that is what they were doing as of that moment. If you go to page 18 in volume 4 and look at the number of jobs since leaving the Job Corps for waves 1 and 2 combined, you see that 13 percent said "none," which meant that 87 percent of trainees held a job at one point or another since leaving the Job Corps.

How do you explain this? Well, you can explain it in some ways. These young people are probably more susceptible to job change than any other group in our society.

Mr. GOODELL. You flipped back and forth, but what you cited was your No. 4 report, which was completed in May of 1967. You say that these figures are more accurate, than the first report because you, by your questioning methods in terms of whether they had a job or not, have been able to clarify that point.

Mr. HARRIS. Yes.

Mr. GOODELL. Just for the record, I would point out what you did show in your May 1967 report. If I am correct, with respect to graduates, those labeled as graduates of the Job Corps, "what were you doing just before joining the Job Corps?"—44 percent were working.

After graduating, 53 percent were working. So it went from 44 percent working to 53 percent working after they graduated from the Job Corps.

"In school," among those who ultimately graduated from the Job Corps, 10 percent were in school just before going into the Job Corps. After graduating, 8 percent were in school.

So your totals for graduates are 44 percent working, 10 percent in school before they went in, 53 percent working and 8 percent in school after they graduated.

That is an accurate figure, in your opinion, the best that you can get now by your questioning methods?

Mr. HARRIS. I think you dropped a line on that, Congressman. It was 47 percent among the graduates working and 53 percent if you read across, but that is a small point.

Mr. GOODELL. I took the total. So it was 47 percent working before and 53 percent working after graduation.

Mr. Chairman, I ask unanimous consent to clarify the dropouts.

Chairman PERKINS. Without exception.

Mr. GOODELL. In connection with the dropouts, and it is the next section down on page 9 of this report, there were 41 percent working just before joining the Job Corps and 52 percent working after they got out of the Job Corps.

Ten percent were in school, and 9 percent in school after the Job Corps.

Do you have any comment on those? Those are correct figures in context?

Mr. HARRIS. You are taking pages 9 and 21?

Mr. GOODELL. Nine and 16.

Mr. HARRIS. You think—

Mr. GOODELL. I am using figures of those just before joining the Job Corps.

Mr. HARRIS. Yes; I was looking at page 21, which is current status, which would be a more direct comparison. Page 21, if I might suggest, Congressman, would be a better basis of comparison.

Where were they before they joined the Job Corps and where are they today, or at the time of this study, and there the comparable figures for graduates was 47 percent working before as against 65 percent now.

Mr. PUCINSKI. What page are you on now?

Mr. HARRIS. Page 20 of the fourth report.

So this is over a 33-percent increase in employment.

Mr. GOODELL. And the 10 percent in school dropped to 8 percent in school?

Mr. HARRIS. The number in school dropped from 10 percent to 8 percent. The unemployed dropped from 42 to 27. That is a drop of about 40 percent in unemployment.

Mr. GOODELL. I thank the Chairman.

I would like to come back to this.

Chairman PERKINS. Mr. Holland, any questions?

Mr. HOLLAND. No questions.

Chairman PERKINS. Mr. Pucinski?

Mr. PUCINSKI. Mr. Harris, Mayor Cavanagh of Detroit said yesterday that, of our 5,200 young people in Detroit who were involved in various activities such as Neighborhood Youth Corps, only three of them had been arrested during all of the 6 or 7 or 8 days of riots and turmoil in that city.

What would it take, in your judgment, to make a study along those lines in all of the cities in which we have had disorders, to ascertain what percentage of the people involved in poverty programs were also engaged in this rioting?

Mayor Cavanagh said that the number of participants would have been higher if it hadn't been for the antipoverty activities they were involved in, and he, of course, found great satisfaction in the fact that, out of 5,200, only three were arrested.

As a professional in making surveys and studies of this type, how big a job would this be? Do you know?

Mr. HARRIS. Well, part of the problem is that it would seem that there have been a rather large number of communities, and the number seems to grow every day.

I would say that it is possible, through the sample technique, to go into these areas. We have an initial study in the field now that is being done for my newspaper column, on riot areas, to see what some of the impact has been. We did not ask any questions about those involved in the poverty program, but you certainly could find this out.

Again, just as the unemployed are the easiest to reach, so are the low-income people the most free to speak. They are the easiest to interview in the sense that they will talk very frankly about all sorts of things, unwed mothers and people involved in stealing, all sorts of things. They are very open about it.

So I think you could find this out.

Mr. PUCINSKI. As a sociologist who has gained nationwide reputation for reporting and evaluating things, would you care to comment on that figure—5,200 people involved in antipoverty program—and only three of those involved in arrests?

Mr. HARRIS. Congressman, if it is accurate, it is an impressive figure. It would indicate that those people exercised a good deal more restraint, and perhaps exposure to the program helped them exercise restraint. That is a clear impression from it. Whether there are any other mitigating circumstances, I can't tell without finding out.

Mr. PUCINSKI. I have studied your four volumes here and they are an impressive amount of work, but I wonder if you could direct my attention to what you consider the most significant table in these reports that would show clearly whether or not the Job Corps program is working.

Is there one table in this material that would give that story?

Mr. HARRIS. Well, Congressman, I think you can draw conclusions from a number of tables. One of the reasons I hesitate is that a part of our discipline I feel very deeply about is that you never take a single number and place all your reliance on that. You, rather, want—good questioning, good studying. You take things from many different sides, look at them and then you begin to get a pattern.

I would hate to point to a table and say, "This is it." It is the strength of the pattern in which you have your reliance and your competence.

You can take the hourly pay rate figures on page 28, which would certainly indicate that graduates receive a higher pay than dropouts or discharges. You can compare that, if you will, to—let's see the no shows study 1704, and if you look there at the figures on current pay, and you look at those on page 56 of that report, the second half of 1966, those would be the no shows 6 months after leaving the Job Corps, and that is the group you have to compare with this. You find their increase was only 14 cents.

I made some notes on this. You have this kind of situation, where all the terminations show a median 23 cent increase, and those who didn't get there at all showed a 14 cent increase.

That is almost double the increase in pay for the Job Corps people, so that is good evidence.

Mr. PUCINSKI. Perhaps I can help you zero in on some of these charts. There have been statements made by witnesses before this committee that people who never went to Job Corps are better off in terms of jobs and wages than those who went and dropped off before 6 months. Is this a fact?

They have cited your tables. Is that true?

Mr. HARRIS. Congressman, the fact of the matter is, you have to go to page 56 of this February report, study 1704, to get the answer, because overall, I think what might mislead people who perhaps just gave a cursory reading to that table, is net difference, plus a 25 cent increment in their pay.

However, you have to go down to the last breakdown called screening, first half of 1965, second half of 1965, 1966. Those screened in the first half of 1965 had a 42 cent increase, those in the second half of 1965 had a 30-cent increase and those in 1966 a 14-cent increase.

You must remember that this no-show study was done among people whose contact with the Job Corps may have been 12 months or more prior. You would have to compare the group that we surveyed 6 months after their "no-show"—in other words, you have to compare no-shows 6 months later with terminees 6 months later. When you do this, you find that the pay increase was almost half.

Mr. PUCINSKI. For the record, where is this information?

Mr. HARRIS. You can see it on page 56 of study 1706.

Chairman PERKINS. Mr. Erlenborn?

Mr. ERLNBORN. Well—

Mr. GOODELL. Would the gentleman yield?

I would say to my colleague that the quotation which I have used and Mr. Harris has clarified in his fourth study may refine this somewhat. It is on page 57 of the first study, in which they say that overall there is no reported change in the number currently employed compared with their pre-Job Corps experience, and the number in school has dropped slightly.

In terms of employment or being in school—

Mr. PUCINSKI. What page are you on?

Mr. GOODELL. Page 57. I don't want to take the time of the gentleman from Illinois, but just to clarify that, I think that in the testimony in respect to the second wave study he did, we could find figures on them.

I thank the gentleman.

Mr. ERLNBORN. The Chairman was giving figures for the Job Corps under the administration bill, I think \$295 million, and an alternative proposal of \$190 million. I think you very wisely did not draw a conclusion from that as to the quality of the effort under the two programs.

As a professional, I think you realize that there are other factors involved rather than just comparing dollars—isn't that right?

Mr. HARRIS. Let me put it this way, Congressman. I would be less than frank if I said I was an authority on congressional appropriations.

Mr. ERLNBORN. There is a tendency for people to equate the value of a program with dollars that are appropriated, and I think you would agree that you can't make those simple conclusions properly.

Mr. HARRIS. Congressman, let me say this. If we haven't seen by now the negative costs to society in terms of burning, destruction, these horrible negative costs that were incurred by lack of action, let's say, or by not doing enough, it seems to me that perhaps society in general ought to spend more in order to try to avoid this.

I think that proposition I can address myself to.

Mr. ERLNBORN. Let me expand on the question by putting some other factors in there.

If the Job Corps was spending \$13,000 per enrollee annually and appropriating \$295 million, or if the Job Corps was spending \$6,500 per enrollee with the same dollar amount appropriated, you could have—

Chairman PERKINS. Let me say to the gentleman that he ought to state his question fairly. The average cost per enrollee is down to \$6,500.

Mr. ERLNBORN. I don't know that that figure is correct, but if it is down to \$5,900, the end product is the same.

Mr. HARRIS. Well, it is fairly feasible that you can cut the amount spent and do a better job; yes. I imagine you also reach the point of no return, though, at some point. In other words, that can't go to infinity.

The logical conclusion would be that you spend nothing and do the best job possible, if you go on with that.

Mr. ERLBORN. I would agree with you on that.

The figure we are talking about is seed money that mobilizes private resources, a total more than the \$295 million. That \$190 million may have a more valuable contribution. Wouldn't you agree?

Mr. HARRIS. Congressman, I have no way of judging it. I have to admit that I am ignorant about the appropriation side of this. I have no idea what the \$295 million really is made up of. I have not seen what the \$190 million proposal consists of.

Mr. ERLBORN. Let me—

Mr. HARRIS. If I might—I am not ducking at all, but I just feel that it is not in my area of competence to be a judge of, you know, what the budgetary mix should be.

Mr. ERLBORN. I am not asking you to do that. I am saying you cannot compare \$295 million of a program that is totally funded with \$190 million that is only partially funded with Federal funds and those Federal funds are used as seed money for the private sector.

You cannot make a comparison just by the dollar amount, can you? You have to take into consideration the other factors?

Mr. HARRIS. It seems to me, Congressman, you must look at the substance of any program in terms of not only what it is set up to do, but what it is doing, and determine—I think as a citizen I can say as a taxpayer, I would feel a lot better if there were more evaluations done—not necessarily of the kind we have done—but what happens to Federal programs.

We do a great deal of work in the private sector for many large corporations, and while I know some corporations that perhaps aren't too good at this, they generally do a better job than the Government in evaluating what they are spending, not only their money but the programs they are in.

I would say in general one of the areas of criticism I would have of the Federal Government is that far too little has been done on finding the impact of what these programs are engaged in.

Chairman PERKINS. Mr. Daniels.

Mr. DANIELS. Having made four studies over the past 7 months, have you noticed any basic differences between the successes and failures between the women's Job Corps and the men's Job Corps?

Mr. HARRIS. Yes, we do analyze women. One of the problems we have, Congressman, with the women is that they tend to get married more than men. That in itself is not perhaps encumbrance in terms of job, but it is the women, not the men, who create the children. As soon as they have the children it tends to put them off the job market.

So, in other words, I am suggesting it is not fair to take just the women's performance in jobs and so on and compare them pro rata across the board with men.

They are also trained as you know for a great many different kinds of occupations and even more than that, as a matter of fact, one of the salutary things that did seem to come out here was that the women

seemed to respond to the whole area of hygiene, care of themselves and care of families, and things that are perhaps a little less directly concerned with job training. Of course, I am sure a lot of women might like to say being a housewife is just as much as being gainfully employed.

I would say that the pattern of women is quite different from that of men.

Mr. DANIELS. Do you think you would need more time to make a more basic conclusion on the question of the success of both programs?

Mr. HARRIS. I think the thing I would be most interested in seeing, I think over a period of time a certain number of these women necessarily have to be expected to go out of the job market. A certain number, however, will stay.

I would guess I would be most interested in the women 12 to 18 months later when they sort of embarked on a career as against what they did when they first came out.

I do not know the purpose of it, but I note under the law the Job Corps is required to have 22 percent of the enrollees as women, which is a good thing.

Mr. DANIELS. Forty-seven cents per hour, drop out 20 cents per hour and those that never went into the job Corps, no-shows by 25 cents per hour. Here again it looks like the youngster who never went into the Job Corps does better than the one who dropped out. How do you account for that?

Mr. HARRIS. That is the question that was just asked before. The fact is you cannot take the figures on those who were the terminees, the August and November groups, as comparable to the study we did on the no-shows for the reason that we went back to determine the terminnee's status 6 months after they left the Job Corps. We went back to the so-called no-shows, those that never arrived but were accepted, went back to them on an average of 12 months after so that there was twice as much time elapsed.

Therefore, what you have to do is compare comparable groups. When you compare the no-shows who are out 6 months, by that I mean 6 months after their point of contact with the Job Corps, 6 months later what happened to them you get a 14-cent increase in their wage rates as compared with a much higher 23 cent increase for the terminees.

Mr. DANIELS. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I believe the Chairman made a statement earlier that the average cost per trainee was \$5,900, but that includes the capital investment.

Chairman PERKINS. That was the average cost per enrollee at Breckinridge.

Mr. PUCINSKI. But that includes the pro rata investment so that figures is going to keep coming down as the capital investment is amortised.

Chairman PERKINS. That does, but there they are in a military institution.

Mr. PUCINSKI. I think they spent a couple of million dollars improving the camp.

Mr. SCHERLE. Mr. Chairman, I have to disagree with my good friend from Illinois because I have recent figures from the Job Corps in

Omaha, Nebr., and with the number they have there at the present time, it does not miss \$7,000 too far. This program has been in effect for a sufficient amount of time that the initial cost has already been covered.

This is a 2-year contract. The capital investment is finished. This is the new current 2-year program.

Mr. PUCINSKI. What was the original cost to build the camp?

Mr. SCHERLE. This is a hotel.

Mrs. GREEN. Would the gentleman yield to me?

Mr. SCHERLE. Yes, I yield.

Mrs. GREEN. I don't know any figure that is \$5,900 for an average enrollee. In 1965 it was \$8,900 for boys and \$8,400 for girls and some of these went as high as \$13,000 for operating expenses with no capital outlay. These latest figures I have from the OEO themselves is they hope to get the operating costs down to \$6,950 for this next year.

Mr. PUCINSKI. All these figures are very interesting but suppose we used one figure. There are 41,000 youngsters enrolled in Job Corps programs throughout the country and we have budgeted \$190 million for that program which, in my mathematics, comes out to about \$4,600 and that includes a \$30 stipend that the trainee gets a month plus the \$50 put away for his family when he graduates. I think that figure probably comes closer to the realistic figure.

Chairman PERKINS. Mr. Shriver will be testifying at 2 p.m. and we will straighten it all out.

Mr. SCHERLE. Many Congressmen send out surveys to their constituents. The average Congressman perhaps represents about 400,000 people in each congressional district, and probably sends out 100,000 or more questionnaires to his constituents.

Now, can you tell me as an expert in polls and surveys whether this would be a more accurate summation of the feelings of the people than a random selection such as you use.

Mr. HARRIS. Congressman, at the risk of suggesting that Congressmen perhaps are sending out a lot of mail which is not very effective, I would say very flatly that studies have been made on congressional surveys done through the mail and your problem is that you have no control over the response rate. That is, you have no control when you send out a mailing to your constituents that each component group in your constituency will respond proportionate to the degree to which it exists.

I can tell you that in a mail survey such as this you will get a response heavily weighted by the degree to which people are educated. In other words, the better educated will respond and the less well educated will not respond.

As a consequence your results are more likely to represent what the people who are affluent think rather than what people who are not affluent think. In this sense I think most surveys such as this have a bias in them and they are not representative. I have to state that to you in all candor.

Mr. THOMPSON. Would the gentleman yield?

Mr. SCHERLE. I do not believe I have too much time, but I will yield if I may continue.

Mr. THOMPSON. I ask unanimous consent the gentleman have 1 additional minute.

Chairman PERKINS. Without objection it is so ordered.

Mr. THOMPSON. Having worked in a small way in the polling industry and one of the centers being in Princeton in my district and having observed a great number of congressional questionnaires, they are almost completely unscientific interests, and despite the best interests, in a sense the questions are loaded.

Although they have a great value I doubt that they are very scientifically accurate.

Mr. HARRIS. Congressman, may I suggest something and I hope this does not come out of the Congressman's time. It has always occurred to me that I could see great value to these congressional surveys if you did them on a different basis. I would pay less attention to the percentage of returns that you get if you ask the people to sign their questionnaires. I believe all questionnaires now are sent out unsigned. If you ask people to sign them, then frankly, I can see a very good dialog between Congressmen and their constituents in terms of why you don't agree with their point of view as individuals and so on.

It would seem to me this would be a very highly useful thing in the survey field rather than taking a stab in the dark and hoping you get a representative cross section answering you and perhaps even be misled in terms of what you constituency believes.

Mr. SCHERLE. Do you also feel that people who have taken a firm position of being against something would be more inclined to answer a questionnaire than those who are for something.

Mr. HARRIS. The people who will answer will "tend psychologically to be those most for something or those most against something. You can get very misled by the vocal proponents and opponents of any measure. What they leave out is the broad, quiet, often silent middle in our society or the people who don't write letter to Congressmen particularly, the people who don't get up in arms, who don't march in picket lines, who don't scream at public figures. But these are the people who probably make up the majority of our electorate.

Mr. SCHERLE. I feel quite certain the Congressman in writing his constituents and sending them a questionnaire does get a good cross section of the people he deals with provided he knows his district well.

Mr. HARRIS. Congressman, I no longer do polls for candidates. I gave all of that up in 1963, but I would say for a while, from about 1956 to 1963, I actually ran quite a business for a number of Congressmen, Senators, governors, even majors and men running for the Presidency who felt that even though they thought perhaps they knew their districts it didn't hurt to go out and really find it out for sure. As often as not they found out things somewhat different from what they thought they knew.

Chairman PERKINS. Mr. Brademas.

Mr. BRADEMAS. I have just a couple of observations on your extremely interesting testimony and you might make any additional comments you care to.

One has to do with the statement that you make on page 4 of your testimony in which you say what happened to these young people as human beings may in the long run go much further toward determining the real long-term effectiveness of the Job Corps.

A good deal of our questioning of you has been in terms of cost effectiveness and I think that is the way it should be. We do have to assure responsible spending of public money and I for one feel we must do more in evaluating effectiveness of this program and other programs rather than less.

At the same time, it seems to me it would be unfortunate if we couched all of our judgment in pure cost effectiveness terms, because, especially with respect to the Job Corps as the point has been made repeatedly in these hearings, we are not talking simply about the question of providing vocational training but in most instances of rebuilding almost from the ground up entire human beings.

Do you have any further comment on that?

Mr. HARRIS. Yes, Congressman, I feel this very strongly. If I may indulge myself personally for a moment; I was trained as an economist and I did not particularly study political science or sociology. Some people may feel strongly about that, as I have ended up in the field of political science and sociology; but I don't know of any particular way in which one trains himself to become a Member of Congress. There are many areas of our society where I don't think people would look with scorn on occupations where it is really your training as a generalist. That is academically speaking. That is more important than the specific trade that you learn.

I think in the end the degree to which you learn to use your mind, the degree to which you learn to concentrate on a job at hand, the degree to which you have character as a human being and the degree to which you have consideration, a sense of decency and knowing how to get along with people on the job, these things are apart from what I gather sometimes has been made of whether a fellow brushed his teeth, combed his hair, shaved his whiskers, and so on.

These things can be just as vital, a whole gamut of them, as whether he has learned to be a good machine tool operator. I don't say that we, therefore, don't seek—you see the problem you get into, people say therefore, you don't have to train people. Quite clearly you want to train people as best you humanly can. The more skill they have the better off they will be; but to say simply the development of this skill on a one-to-one basis is a measurement of what they are and what they will be for all time is vastly an oversimplification, it seems to me, as to what people are and how they get ahead in the world.

What you are as a person, in the long pull, will make the difference in how well you do in your work and not particularly whether you have been given the enormous advantage of specialized knowledge.

I find that specialized knowledge tends to be dated or even evaporate in time unless you constantly update it by use. You can train someone today in a skill, but unless he has used it 6, 9, 12 months later, and in fact has learned to apply the skill better, that training does not mean a great deal.

Mr. BRADEMAS. Let me touch on one other point, Mr. Chairman, and ask for Mr. Harris' comment and then I will yield.

I was back in my district this weekend where we had some troubles in my hometown in Indiana and some of the troubles involved young people there, just as has been the pattern in other cities in our country. I was very much struck by the profiles that you set forth here of success and failure in the Job Corps, even before I came to page 11 of

your statement, to quote you, you say, "The profile of the 'failure' young people, I believe, would check out closely with precisely that group in the ghettos of our cities who are the fodder for the tragic riots we have witnessed in the past 6 weeks. The success patterns show us what must be done to young people so that they are not candidates for the future armies of future insurrections and riots."

It would seem to me, one of the most significant conclusions to be derived from all of your surveys with respect to the Job Corps is that you may well have developed some generalized conclusions which I should have thought would be most valuable for President Johnson's recently appointed Commission of inquiry into these riots and the problems of our great urban areas because I noticed the President asked, in looking at the questions of Commission members, why one resides in one community and not in another and so on.

Among many of the Negro people in the community, with whom I talked, they had little communication with the young people. They didn't know what they were thinking, or doing. Some of the kinds of points that are set forth in your generalizations dovetail completely with what I got in my own area and I would hope that you would see if you can't make a copy of these documents and get them to Governor Kerner and Mayor Lindsay.

Mr. HARRIS. Congressman, I would be delighted. To me one of the great tragedies of these recent and on-going events is that we are all outsiders looking in. We see the violence, we can get pictures of it, and we can get moving pictures of it.

The difficulty is that we don't seem to know these people as people. If we did know them, perhaps we could understand why they can be led to such senseless and irresponsible action. If we simply judge and, in effect, are hung by the consequences of what they do without really knowing who they are or what they are like, it seems to me, we will just keep lighting a fuse in our society for a bomb that is going off already and can go off even more drastically.

Explosions can always happen more easily when you fool around with dynamite with a blindfold on, than if you fool around with it with your eyes wide open.

I would be as surprised as anyone else walking around really quite blind in this area.

Mr. AYRES. I want to compliment you for the thoroughness in which you go into this work. It is most important to find out not only what motivated people but through that motivation as you pointed out over the years you can come up with solutions. I well recall the survey you did for my opponent.

Mr. HARRIS. I remember that very well. I will never forget it.

Mr. AYRES. It was very helpful so I speak with great experience on the authenticity of your facts.

Mr. HARRIS. Mr. Congressman, would you tell the story about that? If I might, Mr. Chairman, Congressman Ayres got hold of that survey and he took it very seriously and he used it better than his opponent did. He did not get hold of it from me, but he used it much better than his opponent and won even more handily than the survey indicates.

Mr. BRADEMAs. Did you bill him?

Mr. HARRIS. We didn't bill him, but he later sent his regards.

Chairman PERKINS. Mr. Dellenback.

Mr. DELLENBACK. Mr. Harris, we appreciate your appearing before us as a witness. We welcome the kill and the expertise you really do bring to the committee.

In looking through this report that you have given us this morning and in listening and reading it, do I read correctly that you measure success, this balancing off of success and failure, as you use the length of time in a site or center as a correlated measure of it, and really you are looking for such factors as adjustment to the center and stable job and high earnings and these you look on as the indicia of success?

Mr. HARRIS. There is no doubt if you can keep a kid in the center 6 months or more you have a much better chance of his doing very well.

Mr. DELLENBACK. What you are saying is the stable earnings and the higher success of the program is the goal?

Mr. HARRIS. Yes, sir.

Mr. DELLENBACK. As far as the Job Corps area is concerned. Cleanliness, social training, social graces, you are visualizing these trainings in these areas as incidental supplements to the things you look on as success, namely, stable job and higher earnings?

Mr. HARRIS. Those are the tangible measures we use. We know from other work when someone is motivated and this often happens when they learned a skill or are beginning to learn it and get excited—all learning is a very exciting thing—or even more important it happens when they have grown to have respect for themselves as human beings. Then kids will clean their fingernails, brush their hair, brush their teeth. In other words, it seems to me you cannot isolate them. They are part of the same pattern.

In social psychology many people speak of the principle of “the more the more”. We see it in such a shibboleth as “Ask a busy man to get something done.” The fact of the matter is, it is absolutely true that a person who is activated mentally, is likely to be activated mentally in more than one area. If you want to put it another way, somehow as these kids stay longer in the Job Corps they get awakened right down the line, so the measures we use, which I think are fair, are stability of employment, wages earned, increment of increase.

I hope in the future we will be able to see 12 months or 18 months after they leave the Job Corps that they will even do better.

Mr. DELLENBACK. These will still be the criteria to which you are going to look because you see these as the essential goals of the program?

Mr. HARRIS. These are the easier measures to use.

Mr. DELLENBACK. Some of the other things are self-reinforcing.

Mr. HARRIS. As Congressman Brademas points out, the other elements may be more important but these are harder to measure, harder to put your finger on. When a person learns to improve his character and learns to improve himself as an individual you can feel it, but it is very difficult to pin it down.

Mr. DELLENBACK. But these are the things that you use as your measuring sticks.

Mr. HARRIS. Yes, sir.

Mr. DELLENBACK. Have you made any other studies of different types of programs intended to turn the pattern of failure into a pattern of success outside of the Job Corps?

Mr. HARRIS. Yes, sir.

Mr. DELLENBACK. Have you studied it for other groups?

Mr. HARRIS. For industry, yes, sir. We have done this in a number of places in industry, as a matter of fact.

Mr. DELLENBACK. Where you look at programs that are comparable to the Job Corps?

Mr. HARRIS. No. You see, one of the marks of industry today is that large numbers of people such as these Job Corps young people are totally missed. Industry does not hire a lot of them. So I would say the work we have done in this area and other places has been quite a cut above what the Job Corps does.

Mr. DELLENBACK. You mean so far as the group that is involved?

Mr. HARRIS. Yes, you are dealing with people, young people who have been bouncing along the bottom of society. There are not very many endeavors in our society to do anything about this group.

Mr. DELLENBACK. Have you made any studies of groups that are at all comparable where you had to hit those quite as far down the ladder—

Mr. HARRIS. In terms of performance of the job?

Mr. DELLENBACK. In terms of the success of the program aimed at making success out of failure. Have you had any studies made by your organization for industry or anybody else which were aimed at attempting to find out whether or not a program aimed at turning failures into successes had really proven effective?

Mr. HARRIS. Congressman, I would say these did not deal with young people at as low a level of society as this.

Mr. DELLENBACK. Mr. Chairman, without—

Mr. HARRIS. Might I just restate that and say that about 8 years ago we did a study for the Carnegie Corp. of Americans serving overseas. We took such elements as capabilities of understanding people of another country as against going native, let us say, and looked at the degree to which this contributed to job success or failure. So that has been done but these were by and large people with quite a lot of education.

Mr. DELLENBACK. I don't think we can fairly ask Mr. Harris to turn over any results to us if he has a contract with some other employer—

Mr. HARRIS. The Carnegie study was published.

Mr. DELLENBACK. Would it be possible for you to give us some list of what other types of studies you have made so that we may determine whether or not we can either go to you or the employer to get the results of these for help in connection with our studies here?

Mr. HARRIS. I would feel somewhat remiss and I realize Congress has the power to obtain these, but I would feel it would be a breach of confidentiality to take some of these we have done for industry.

Mr. DELLENBACK. We are not asking for the results.

Mr. HARRIS. They were done for internal use, but again the Carnegie study was published so that is a survey that could be obtained.

Mr. DELLENBACK. Could you give us the names of any studies if you have made any as such, that were aimed at determining whether programs of training instituted by private enterprise, a special type of training, would turn a failure into a success?

Mr. HARRIS. I would be delighted to search the literature on this and help on this.

Chairman PERKINS. Mr. Steiger.

Mr. STEIGER. Thank you, Mr. Chairman.

Perhaps I missed an earlier question, Mr. Harris. Has OEO come back to you to contract for an up-to-date study on the Job Corps?

Mr. HARRIS. Yes, sir; I answered that earlier and said we plan to go back to the August and November terminees, 18 months after termination and then 12 months later. I believe plans are also underway to go back to the 1967 terminees in order to see if indeed compared to what the results were for 1966, 1967 results are an improvement in terms of performance.

Mr. STEIGER. Thank you.

You touched briefly as I recall in response to a question on this whole area of how we measure results. I wonder if you would expand on that just a little.

One of the problems that I think Congress has in attempting to assess a given program or set of programs is the kind of analysis that is made available to us. I am impressed, for example, with the job that you have done and I think one of the reasons that I am is because this is not an in-shop operation. From your own background and experience in the scientific polling operation, do you think there is greater benefit to be derived from an outside analysis versus an in-shop analysis in terms of being able to accurately judge?

Mr. HARRIS. I think there are various forms of checks that can be made, some inside the Government and some outside. I think it would be invidious and self-serving on my part to say those made inside are worthless and those done outside are great. I think you can find out through social security sources, through efforts to trace down each terminee in terms of where he goes for employment. I gather that the Job Corps—I am not familiar with the details of this—has some volunteer church groups that are willing to go out and contact a number of these terminees.

I can address myself properly to saying what I think outside sources can do because that is what I spent my life on. One great advantage, in effect, is not being beholden to a client. We have no qualms about bringing in bad news of any kind. I always like to say I can hold up big stacks of statistics and say don't blame me, blame the people who are represented by these figures.

So I can speak with candor and that is an advantage.

The disadvantage, and we always like to tell our clients this, is that we will never know your business better than you know it. That is why to be perfectly frank if I was asked about budget matters I would be really foolish not from a tactical standpoint but out of sheer ignorance to comment on the size of the appropriation for the Job Corps. I don't have the foggiest notion of what the dollar amount should be, so I would not know in effect your business or the Job Corps' business better than they do. But we have gone out and traced down Job Corps terminees. I would like to pay some tribute to our people who have gone to great pains traveling 200 miles or more to trace down some of these Job Corps people.

We do know them quite well and we know the data in these studies better than any of you will and I feel a deep obligation that we should take that data and say "Here are the implications." Whether this makes people administering the program or you gentlemen of the Congress happy or not, these are the facts and I wish that we could

have more of that kind of self-critical evaluation on the part of Government agencies. I believe in that very much.

Mr. STEIGER. I share your belief and appreciate the fact that it is and frankly much better to have the kind of candor by which we can then make some kind of hopefully realistic and reasonable value judgment.

I was interested in the fact that based on your past experience, the first study versus the fourth study, you have done some changes in order to tighten the questions and in order to try to find the best possible ways of getting the correct answers. I would assume, Mr. Harris, simply based on your own last statement that what you are trying to say to the committee is that to the best extent possible, the work that you have done in those four studies represents as complete and as accurate a cross section of sampling as it is possible to procure; is that correct?

Mr. HARRIS. Yes, sir; within the reasonable budgetary limitations. In other words, in any study you could go out and do a census. For example, in the first study we interviewed 1,161 out of 3,860 dropouts. We could have done all 3,860 but the cost would probably have been five times the cost for the 1,161 interviews and the results would not have been more than 3-5 percentage points different. By use of the sampling technique you can get essentially the same results without the expenditure necessary in going to every last one. Out of 3,860, the last 200 I can guarantee you will be dreadfully expensive to get to because when you have a volunteer society as we do there are always a number of people who are not dead but just plain disappear. It is just murder to find them.

Mr. AYRES. Would the gentleman yield?

Chairman PERKINS. The time of the gentleman has expired.

Mr. AYRES. Mr. Harris, is there anything in the file to determine whether or not the Job Corps graduate who is placed in employment and gets a much greater job than he would have had he not gone to the Job Corps but had just gotten a job on his own?

Mr. HARRIS. Congressman, as a matter of fact, to the contrary there are indications that those who never got to the Job Corps—the kind of jobs they get immediately are very much dead end types, not very productive jobs. If anything, there seems to be a delay in their getting into the mainstream of the job market, though, some of them do. Those are 18 months away from their Job Corps contact. You have a substantially higher rate of pay increase, but I would deal with that with some caution because as these kids get older they could automatically get better jobs. In other words, when a 17-year-old gets to be 19 or 20 his wage rates will go up. This will happen to anyone. Here I think we have a major part of the latent unemployed if something is not done for the unskilled, to a degree indigent, who add to the relief and welfare rolls. Most important of all, the great urgency here is that these may be the people who have roamed our streets and created enormous damage recently and probably will do more unless something is done to help them.

There has been a lot of talk about keeping them in their homes and sending them to school on a residential basis. I am frank to say I think one of the salutary effects of the Job Corps is having them removed

from their environment for a period of time. This, I think, can shake them loose from perhaps very dilatory influences in their lives.

Mr. AYRES. Are there any figures available, Mr. Harris, as to how many of them return to their former employers?

Mr. HARRIS. Yes, if my memory serves me, I believe about 80 percent go back to the same neighborhoods and they are the ones who do not do as well as those who are back in their own hometown but have struck out on their own—getting their own apartments, for example. That is a sign of good independence. It does not mean they have to cut off from their family at all but it means somehow they are not living off the family anymore. This is a healthy thing.

Mr. GOODELL. You have quoted from your study here that 85 percent return to the same home. Is this to the same city as distinguished from the same neighborhood?

Mr. HARRIS. It is the same home, I believe.

Mr. GOODELL. There is quite an important distinction.

Chairman PERKINS. Mr. Quie.

Mr. QUIE. Going back to the questions I was pursuing, Mr. Harris, you have listed the qualifications of the young men, the patterns. I imagine that in different young people you saw differences of these patterns which are called success patterns and they may have some failure patterns along with them. But if a youth is over 18, highly motivated to join, for the first time away from home, hungry for skill training, eager to get away from home, priority given to school over economic pressures, not failing in school, out of work and wanting job training and can live with a different race then it is pretty likely that he would be a success in most any venture. Wouldn't that be true, that you are really dealing with a person there who is poor and probably is from an area where job opportunities are not great, and if you had a brush with all of those patterns there would be little doubt that there would be success. Wouldn't that be true?

Mr. HARRIS. I would say that the success pattern column represents what has been aroused in these people, what can be aroused by the Job Corps or other experience. In other words, if you can get someone hungry for skill training, if you can somehow get him to attend religious services on a regular basis, if you can get him to want job training, if you can somehow persuade him that there are advantages and not disadvantages in getting along with other races, then what you have is the prototype of what the failures can be converted into.

In other words, there are always two ways in which you can read data. You can say these are the elements that contribute to their success. These were obviously in them all the time; therefore, not a great deal has been done. I would say this, Congressman, and I have seen it in some instances, people who did not have these motivations, who have been the opposite of this, can have them instilled in them. Religious training is a perfect illustration. We have seen failing students who have dropped out of programs. I know the one at Yale University has been very successful. They take dropouts from all over the country and make them successes 2 years later. I implore you, when we say failure patterns, don't write these people off completely.

Mr. QUIE. If the Job Corps is going to perform a service, it should take the people who would fall into the failure pattern. You say they

came in with nothing better to do, never attended religious services, had serious trouble while in school, wanted to hang around home, economic pressures are more important than school, failing in school, can't leave for training; want racial separation. If a person could fall under all 11 of these he would be the most hardcore of all of them. It is like working with multiple handicaps, they are easier to work with than the person who is blind and deaf or a person who is even more handicapped. So you have multiple handicaps that you are dealing with.

In your polls and evaluations in the future it seems to me what we need to know what programs would help to correct this failure pattern and as a result you end up with a success pattern.

Mr. HARRIS. If I might suggest this, Congressman, you point up very well indeed what is both the problem and the potential and the challenge to the Job Corps in taking these failures and making them into successes. If I had to define what are the next gaps that the Job Corps should seek to close it would be precisely in these areas. I would look on it this way: What I hope I make clear is the people that were successes were not necessarily predetermined to be successes—

Mr. QUITE. You don't believe in predestination?

Mr. HARRIS. It is difficult to proceed on the bettering of human kind if you assume it is all predestined and you are what you are and nothing you do helps. I don't believe we operate that way. Self-improvement is still a mighty important part of our voluntary society.

Mr. QUITE. I wanted to say whether a person is listed as a proponent or opponent of the Job Corps, and there is a new Job Corps now, I think we are all trying to find a mechanism or means of bringing people who now fit into the failure pattern into the success pattern. If we can do it the least expensive way—in a day school—we would like to find out those who fit into that category. We know some need to change their environment and should get into a residence center to do this.

Did you make a determination of how many fit into the success pattern and how many fit into the failure pattern and the degrees in each area?

Mr. HARRIS. If my memory serves, the success pattern would be about 3-10 and the failure pattern might be a third higher. They would be of comparable size.

Mr. QUITE. Three and 10 fit in the success pattern and four and 10.

Mr. HARRIS. These are just approximations.

Mr. GOODELL. This is when they go in.

Mr. HARRIS. There is a book that I have not read in which somebody showed me an excerpt saying there were six failures for every success. I don't think anything we have done has shown that.

Mr. QUITE. Christopher Weeks' book shows something comparable.

Mr. HARRIS. I don't know if he has seen these studies and I don't know where he got these figures but if you take the dropouts and compare them with the graduates you would never get over two to one and more likely three to two.

Mr. QUITE. Christopher Weeks administered a portion of the OEO program and when Sargent Shriver was up here testifying he had Chris Weeks at his right hand giving him the answers.

Mr. HARRIS. I don't know Mr. Weeks; I did see a statement con-

cerning the surveys, and in that respect he was inaccurate. I can't draw any judgment about the rest of his observations. They may be perfectly fine.

Mr. GOODELL. I would like to clarify this one-third, one-third, one-third ratio. Are you referring to the number of enrollees who enter the Job Corps in saying that essentially one out of three fits into the success pattern and one out of three into the failure pattern and one out of three is mixed?

Mr. HARRIS. I was thinking of page 6 of study 1709, where you have the 32 percent who are graduates. Actually, in terms of time—I was looking for that breakdown there—you have a figure that sticks in my mind of about 29 percent for those who stay for the longest period.

If you go to page 4 of the 1729 you can see 35 percent graduate. If you look at the length of time in the Job Corps, I think this is the key. The longer they can keep them, you know, up to a reasonable period, the more likely their success will be.

Mr. GOODELL. The statistic that we used—

Mr. HARRIS. There is no doubt that if you lose them in the first month or two it is a casualty. I would consider it a defeat if you lose them in the first month or two.

I would consider it even a greater defeat if you have those who do not show up at all.

Mr. GOODELL. In answer to Mr. Quie, you answered the question that one out of three fits into the success pattern which you have described in your testimony today and one out of three fits into the failure pattern and one out of three fits into apparently a mixture of the two.

What I am driving for here is one out of three what? Were you referring to enrollees when they come in?

Mr. HARRIS. If you go to page 14 of study 1729, if you look at the bottom table there, waves one and two combined—that is the skinnier report here—

Mr. GOODELL. Page what?

Mr. HARRIS. Page 14. If you look there you will see the total of all August and November terminees, less than 3 months, 33 percent. Now, I think that is as handy a simple reference as any if you want to say what is the failure group.

By their not staying over 3 months, the Job Corps lost a great opportunity to do a great deal with them. Even that group does better than the group who never showed at all. So there is some advantage but we are talking, I assume, about success and failure on a relative basis here.

In other words, I would say the Job Corps is remiss every time it cannot keep one of these young people beyond 3 months.

Mr. GOODELL. These figures are a value judgment. We have had some witnesses who are rather experienced in their fields say they feel 6 months is the turning point. Regardless of where we set the line between success and failure, it is not a black and white line even then.

Mr. HARRIS. That is right.

Mr. GOODELL. But the figures you are citing here are showing that 33 percent of the total enrollees stay less than 3 months and

41 percent between 3 and 6 months, a total of 74 percent staying less than 6 months and more than 6 months, 26 percent.

That is what you are referring to. In other words, when you are referring to the success pattern and failure pattern, you were referring to the results after the Job Corps experience.

You were not referring to the pattern of the enrollees before coming into the Job Corps?

Mr. HARRIS. We are talking about the relative relationship that was experienced after the Job Corps as compared to before.

Mr. GOODELL. To pinpoint the question, you have given the relative part after Job Corps experience. Do you have any comment about the breakdown of success versus failure pattern of enrollees before Job Corps?

Mr. HARRIS. No, because only the dynamics were measured here. The variable we are measuring is exposure to Job Corps.

Mr. GOODELL. You can't compare a success-or-failure pattern after Job Corps with the success or failure before Job Corps.

Mr. HARRIS. Congressman Pucinski suggested this morning you could take participation in riots as a good measure. We call it an independent variable against what you are going to measure.

Mr. GOODELL. I very strongly resisted the notion—accurate scientific guideline success-or-failure pattern should be accepted above participation in riots.

I think that in the breakdown of success patterns, you will find a great number of them overwhelmingly in the success pattern who for one reason or another got involved in riots.

Mr. HARRIS. You feel there are?

Mr. GOODELL. I would assume there are. We have had indications in Buffalo, N.Y. Of those arrested in Buffalo, N.Y., more than 50 percent had jobs.

If they had a job I don't think they are in a failure pattern completely. There may be elements of that. There may be very strongly motivating factors.

Mr. HARRIS. If I may express the opinion, I would say when you have a young person who throws a gasoline bomb or who tries to shoot a fireman while he is trying to put out a fire, I think this is the most abject failure we can have.

Mr. GOODELL. You have jumped from participation in riots to two examples of extremes.

Mr. HARRIS. Or looting a store.

Mr. GOODELL. If you want to include all participation involving criminal conduct we can talk about that. I believe the indications we have, and we should have more, are that a sizable number in these communities who participated in riots to the degree of being arrested, in the act of doing something, breaking the law, had jobs.

I don't mean to get into the question here. You have not studied this apparently and I have not either. I have read the reports, but I don't accept this arbitrarily in view of the reports as a guideline for the success-or-failure pattern.

Mr. HARRIS. Do I understand, then, you are suggesting that because someone has a higher increment of wage increase or he has more

employment, more steady employment, a more stable life in measurable terms, that that should not be taken as a measure of success?

Mr. GOODELL. No, I think the factors you have outlined here are parts of the success pattern but if you want to substitute a simplistic notion, involvement of riots, as a standard of whether you have a success pattern or failure, I would resist this.

Mr. HARRIS. I was about to say it seems to me a desirable objective to try to persuade as many young people in this country as possible not to riot because rioting, in my judgment—and I know there are others who disagree—is wholly destructive.

Therefore, if you can prevent young people from participating in a destructive activity, then we have no quarrel with that.

Mr. GOODELL. Outside of the most militant I don't think anyone would disagree that it is desirable to dissuade young people from participating in riots.

Mr. HARRIS. The point is if you can take some of these young people who fit the pattern, it would not only be salutary to get them off the streets but it would save us a whale of a lot of money in terms of potential destruction.

Mr. GOODELL. What about the success pattern and failure pattern of enrollees at the time they came into the Job Corps, so we can by the same objective standards compare the success pattern and the failure pattern after their Job Corps experience, however long.

You have the figures, if I understand you correctly—

Mr. HARRIS. Congressman, you would have to design your study somewhat differently. In order to measure success or failure or change, which is what we are really talking about, change of any kind, you have to change from something to something else as the result of experience.

It would be rather expensive to do. You would have to take a sizable sample. I suppose you could take it from high school records—but suppose you took high school records, and looked at those who had a pattern of behavior, success or failure, call it what you will, and then you measure what they did in the job market following their schooling prior to the time they came to the Job Corps, I suppose then you could get a similar measure.

That would have to be the design of it. You can't do it retrospectively. If you just ask people to tell you about their whole past and give you an evaluation, the further back you go in the past, the more colored their memory is.

We always remember the good things about ourselves and unfortunately tend to remember the evil about others.

Mr. GOODELL. As I study your survey, the closest I come to are the figures with reference to pre-Job Corps data contrasted with post-Job Corps jobs and school.

Those are two arbitrary measures, but meaningful measures, I think all of us would agree, and you have those two for us to look at.

I think we also can agree that it gives you a biased look if you cite only one of the statistics without the other.

Mr. HARRIS. I don't follow you.

Mr. GOODELL. It is not just a fair statement to say that 65 percent of the Job Corps terminations or graduates get jobs without pointing

out that 47 percent of them had a job according to your refined statistics when they went in.

Mr. HARRIS. I agree with that.

Mr. GOODELL. The success rate there becomes 18 percent—

Mr. HARRIS. It is about a 45-percent increase.

Mr. GOODELL. You are applying it to the number that had jobs before but you increased the number who had jobs by 18 percent rather than increasing the number of jobs by 65 percent.

Mr. HARRIS. It would be wrong to say 65 percent had jobs today. It would be equally wrong to say there has been an increase of 18 percent. It means that 18 on 47—I could do it on the slide rule if you like—in rough terms it is about a 40-percent increase in employment.

That seems to be the fair way to say it.

Mr. GOODELL. They are not necessarily the same people. That is the point.

Mr. HARRIS. We see some turnover in the tables, that is true.

Mr. GOODELL. Forty-seven percent had a job when they went in and 65 percent had a job when they got out.

Mr. HARRIS. Actually, 87 percent held a job at one point or another since they got out of the Job Corps.

Mr. GOODELL. Then we can cite the figure that 53 percent got a job immediately.

Mr. HARRIS. We are measuring at a single point in time and it seems to me the gross figures 47–65 are very fair, much better, let's say, than the 47 and 87.

Mr. GOODELL. Is 47 percent the number who had jobs when they went in?

Mr. HARRIS. Yes, sir.

Mr. GOODELL. Is it not a fairer figure then if you are going to take 65 percent as the number who had jobs later to take the number who had jobs within 6 months prior to going in?

You have chosen an arbitrary moment when they went into the Job Corps for your 47 percent and although they may have had a job a week or two before, they are not in that 47 percent.

Mr. HARRIS. You are getting into this problem of how far back you can go retrospectively. You can ask a person if he has worked and if he is 17 years old he may not have worked for a whole year but he will say, "Of course, I have worked," because that year telescopes in time so he tends to think it is only a few months since he was working, expending energy, getting paid for it, and since it felt pretty good he says he worked.

You see, we are trying to pin down what was the status of these young people prior to their Job Corps experience and then what has been their experience since.

To be perfectly frank about it, Congressman, I think the real effects of the Job Corps will come when we go back a year later, 18 months later.

They do better 6 months later.

One of the things I would like—I did say in my statement and I would like to reiterate—it is a terrible misstatement to assume that measurements are locked in for all time in one period of time, one point in time.

This is like taking a single frame of a moving picture and saying that is the whole picture when in truth it is the sweep and the movement especially over time that makes the difference.

Mr. GOODELL. I could not agree with you more but you must apply that same standard to those who did not have Job Corps experience.

It is a mistake to say that 47 percent of those who had no job when they went into the Job Corps would have remained unemployed without Job Corps experience.

They are becoming older, and a certain number of them might have gotten a job when they got into the older range and you have to compare this again with the general statistics of population moving from that age group.

Mr. HARRIS. If we knew a way to do this, the way to do it would be to have interviewed these Job Corps people before they went into the Job Corps, while they are in the Job Corps and after they have left the Job Corps.

This is rather difficult and very expensive because you would obviously have to interview—I think somebody estimated a million two hundred thousand eligible for the Job Corps potentially and they get, what, all of 75,000. So you would have to interview about 15 times the number who actually went to the Job Corps.

It would be a very difficult task. I don't mean to make it sound impossible but I would say it is very costly to get this on an accurate basis.

Mr. GOODELL. The best evidence we have, and maybe you have evidence to the contrary, is that at any level of skill, education, you will find an increase in the percentage of jobs when you move from the 17- to 18-year-old group, from the 18- to the 19-year-old group, from the 19- to 20-year-old group.

The older they get the larger percentage you have who get jobs.

There may be some year variations in there but that is the trend. What I am saying to you is that if we take 17-year-olds who go into the Job Corps and compare them to 19-year-olds who get out of the Job Corps, you must adjust in here for the number of employed which would have increased because they gained 2 years in age.

Mr. HARRIS. The exciting part of the research we are engaged in is that we will be able to take 17-year-olds and not compare them with 19-year-olds but we will be able to take 17-year-olds who have been dropouts, meaning they left in say 1 or 2 months in the Job Corps, 17-year-olds who were discharged, the kick-outs and 17-year-olds who were in the Job Corps for say 6 months or more.

Mr. GOODELL. This will be valuable.

Mr. HARRIS. We can then compare the 17-year-olds when they get to be 18 and when they get to be 19.

For the Job Corps to really have done an effective job, and what I think the Job Corps should say is they are willing to bet their life on if they have the capability of doing this job, by the time these 17-year-olds who have been in the Job Corps 6 months or more reach the age of 18 or 19, they should be appreciably ahead of those who dropped out and certainly ahead of those who never showed up at all.

It seems to me that is a fairer measure.

Mr. GOODELL. Sure, but it is not a measure of success in comparing

the Job Corps to other various programs that we might utilize, to compare the Job Corps versus nothing.

You can say this is a measure of success. But we can't compare it to Job Corps versus a variety of other approaches that are being suggested in this Congress that might give you a higher success rate.

Mr. HARRIS. Congressman, here we do have statistical tests to show the degree to which the difference has been due to just the Job Corps experience alone.

Mr. GOODELL. You misinterpret my question. I am saying you have no statistical basis, and it is an obvious fact, as to how the proposal made in the Opportunity Crusade would work out with percentages, whether it would be worked out to a higher percentage or lower percentage.

Mr. HARRIS. We don't know this. We know 6 months later there are signs that the Job Corps has had some effect.

Mr. GOODELL. You don't have one single scintilla of evidence as to what would happen to a youngster if he went into the Opportunity Crusade as distinguished from the Job Corps. That is what I am saying because we do not have the Opportunity Crusade.

That is what we are arguing about in Congress. It is not between the Job Corps and nothing. It is the Job Corps and proposals that we have before us which would improve the Job Corps and do a better job.

You will find most of us on this side believing in the residential training. We are proposing ways of improving it. I did not mean to belabor the point except I have not been able to achieve these improvements yet.

Chairman PERKINS. Before you answer, might I comment that as I have understood the situation all the way along, so much credence was being placed in this report by my friends on the minority, I am delighted that you have come here to explain this report.

Mr. GOODELL. If I understand Mr. Harris' testimony, it is to affirm the results of his study, the accuracy of his study. Is that not correct?

Mr. HARRIS. Yes, sir.

Mr. GOODELL. So you stand on the results of this study and you think it is an accurate breakdown?

Chairman PERKINS. It was a misinterpretation in issue.

Mr. GOODELL. You will have to be more specific on the misinterpretations and you can specify those for the record.

Mr. HARRIS. The only one I can recall as a misinterpretation is that of Mr. Weeks in a couple of statements—I would say misinterpretation is a strong word. It is a matter really of trying to see positively what might be done. Another greatly pertinent question if I might suggest it to the committee, is to ask Mr. Kelly and the others the degree to which they feel they have acted and are acting to eliminate some of the weaknesses of the Job Corps.

It seems to me that that is eminently reasonable.

Congressman Goodell, when you say there are no measurements of what might happen with the Opportunity Crusade, you are absolutely right. One of the things that is difficult to do in our work and we are often asked to do it and I must say rarely want to do it and rarely do it because you get into trouble when you try, is to project what would happen if something became reality.

It is easier to analyze what is a reality. It is very difficult to take nonreality and project it into the future.

Mr. GOODELL. I would just like for the record to ask a question with reference to the number who returned home. This is a point that will be cited from your report.

On page 60 of your third report, 1709—

Mr. HARRIS. Yes; I was looking at that after you spoke here.

Mr. GOODELL. You show 85 percent returned to same home and you break that down to pre-Job Corps home, 69 percent; same neighborhood, 11 percent; different neighborhood, same town, 11 percent; then different town, city, or rural area, 9 percent.

That does not add up to 100. How do we break those down? Is the 69 the same actual dwelling?

Mr. HARRIS. Two percent were indeterminate and that adds to 98 percent.

Mr. GOODELL. Your 69, 11, 11, and 9 adds to 100 but I don't understand the 85 to the same home summarized from your other three or four breakdowns—the 69 percent seems to be those who went back to the same dwelling; is that correct?

Mr. HARRIS. As I read this, 85 percent returned to the same home, in most cases the same domicile. The other figures represent where they are currently living.

Mr. GOODELL. Eleven percent went to the same neighborhood and the 69—

Mr. HARRIS. That would make it 80.

Mr. GOODELL. Different neighborhoods but same town, so it is accurate to say 91 percent went back to the same town?

Mr. HARRIS. I don't have the codebook here but I can get that for you if you like so we can see what went into that 85 percent.

Mr. GOODELL. They are not adding up and it would seem to me in the same town would be approximately 85 percent.

Mr. HARRIS. Approximately 80 percent are living in the same neighborhood. The curious thing is that among the graduates, however, the figure was lower than for any other group.

Those who stayed in the Job Corps a longer period of time went back to the same neighborhood less than any other group. This would be indeed indicative of the fact that these were more successful and these tend to leave their homes. They have the independence and confidence to leave their homes.

Mr. GOODELL. It is a small increment but it is true.

Mr. HARRIS. Of those in the Job Corps less than 3 months 77 percent are now living in their pre-Job Corps homes; of those in more than 6 months, only 62 percent are living in their pre-Job Corps homes.

Mr. GOODELL. Comparing the dropouts and graduates on the top line, you have 90 percent of the graduates and 92 percent of the dropouts going back to their same home or same town, 90 percent of the graduates, 92 percent of the dropouts.

You have a 4 percent difference in the ones going back to the same home. I think that is significant. There is a 4 percent difference in those who went back to the same neighborhood and I think that is significant.

Mr. HARRIS. I don't think it is right to combine the different neighborhoods and the same towns into that. I think the key is pre-Job Corps home compared with not living in your pre-Job Corps home.

I think that is the big shift. I certainly feel that it would be. I don't blame a person living in Rochester, Syracuse for not wanting to go back to his home town.

What we find is that people are healthier, if you will, if they strike out on their own in their home town and not depend on mom and pop back home with all of the festering problems.

Mr. GOODELL. I am not disputing your point. I think it is very valid; I don't want to make an argument where we do have an agreement. I just want to clarify for the record what your findings were.

Your findings were talking about the home being important and which ones go back to the pre-Job Corps home. You show 67 percent of the graduates going back to the pre-Job Corps homes and 71 percent of the dropouts so there is a 4 percent difference in the number who go back to the same home.

In terms of those who go back to the same neighborhood you show that of the graduates 8 percent do, not in the same home but same neighborhood, 12 percent of the dropouts not in the same home but same neighborhood.

I am just trying to clarify what the percentage difference is between these two.

Mr. HARRIS. It is when you get over to different neighborhoods, same town and so on that you get a difference.

Mr. GOODELL. Is it an accurate statement to say that based upon your survey that nine out of ten of the Job Corps enrollees who have Job Corps experience want to go back to the same home town?

Mr. HARRIS. Yes, sir.

Mr. GOODELL. Ninety percent of the graduates and 90 percent of the dropouts?

Mr. HARRIS. You can't say they want to but they do.

Mr. AYRES. I am glad you clarified that. I have one observation to make.

In your opinion, is it not important to the Job Corps graduate when he determines where he wants to go as to the type of home, not the community but the type of home that he came from before he got to the Corps?

Mr. HARRIS. Most of these young people came from rather dismal homes. That is part of the reason they were what they were.

Mr. AYRES. So if they have been inspired they don't want to go back and get into that same rut.

Mr. HARRIS. To them the home whether it is infested with rats or roaches or peeling plaster or holes in the floor, bad plumbing and so on, is not something terribly agreeable to go back to.

Mr. AYRES. So you almost have to take into consideration from whence they came to determine what percentage are going back and who are motivated by some other reason and don't want to go back to the same surroundings.

Mr. HARRIS. Yes, sir; and I don't want to suggest that the way to get all of these young people in good shape is never to have them go home and never see their parents again.

I would say their desire to break out of the miseries they have been raised in is a measure of their ability and capability to make something of themselves.

Mr. AYRES. Have you, through your surveys in depth, come up with any figures which show there is a higher or lower percentage of drop-outs among Negro enrollees than white enrollees or have you broken it down?

Mr. HARRIS. As my memory serves me, we have a relatively higher dropout rate among the whites. One of the interesting situations is that we do have a slight indication that Negro graduates do better than white graduates, which certainly is interesting because this would tend to disprove the claim of some people that Negroes have been so emasculated and beaten down over the years that even if given an opportunity they wouldn't do anything.

This tends to show that if you give them the opportunity they will run with it. This I think is very, very encouraging. It belies quite frankly some of the statements made by some Negro leaders, so-called leaders, that when you have beaten them down this much you can't get them to come into the mainstream of society.

This shows very definitely that you can indeed. I think this is a tremendous lesson.

Mr. GOODELL. If the gentleman will yield, I think there is an interesting aspect in terms of discrimination or lack of discrimination as a factor in their success. I don't say that discrimination is not a factor but if the Negro graduate does somewhat better, it would indicate they are overcoming a substantial effect of the discrimination.

Would you agree with that?

Mr. HARRIS. I don't know if it is relevant to this committee, but there has been a study of the degree to which Negroes who serve in the Armed Forces do much better after termination. That is another type of exposure we could get a measure on.

Mr. GOODELL. Just to complete what Mr. Harris brought out here. It seemed to me the urban enrollee dropped out less often than the rurals.

Mr. HARRIS. The urban center enrollee, I believe.

Mr. GOODELL. It was a higher percentage.

Mr. HARRIS. You may be right. Do you mean those from the urban areas?

Mr. GOODELL. From rural areas there was a higher percentage of drop outs.

Mr. HARRIS. Part of the problem, I think, is getting a handle on what specific training the rural Job Corpsmen can learn that they feel has applicability when they go back to their areas.

This is a very difficult problem. I have surveyed by foot through eastern Kentucky many times and also West Virginia, and these are areas where you have this problem of what do I do when I get back home.

Mr. GOODELL. You did not compare in your studies anywhere the rural Job Corps centers and urban Job Corps center enrollees.

Mr. HARRIS. We did.

Mr. GOODELL. If you had breakdowns it would be helpful.

Mr. HARRIS. Let me say that we have all of this on cards, we have them in computers, and you can get a variety of breakdowns within the limits of our capability.

There are no secrets as far as we are concerned in any of this. It is all on cards and you can break it down in any way you choose.

Mr. GOODELL. Thank you very much for your testimony.

Chairman PERKINS. I have a few questions to direct to you as a sociologist. You have made mention of the fact that a higher percentage of these youngsters go back home after they get through the course of study in the Job Corps.

Do you feel that they lose any of the experience that they have gained by going back home and in many instances have not been able to obtain?

Mr. HARRIS. To go away from home and then come back home and find that things have not changed at all is probably as disheartening and disillusioning an experience as anyone can have.

I think all of us without exception want in our hearts to go home and be treated better than we were when we left home. Somehow we would like people to recognize that we are improved people for our experience away from home.

In many ways going home is the most difficult of all the experiences. I think part of the problem is falling into the old ways when one goes back home—you do find that the mother, father, brothers, sisters, neighbors, treat you the same as before.

I certainly could not make much of a case for separating people from their families. I don't think it is desirable. On the other hand getting that modicum of independence built into them so that they can spring loose, set up their own establishment, apartment, room, or whatever it is, and go home on the weekends would be a very desirable thing, but by the same token people just don't like to become expatriots.

They don't like just to go away from home and never come back, either.

Our homes are part of all of us and we cannot deny it. It is some balance in there that is the critical element. I don't know if that answers your question.

Chairman PERKINS. I would like to have your views. I take it that you have mentioned the success and failures here in the Job Corps if you know of any other institutions where we have some situations like you describe in your failure pattern—and we could add on to that the lack of basic education, adding to it those who have emotional problems and can't get along with people, and so on—if you know of any other training institutions that perform the service to this type of youngster like the Job Corps is now doing—do you see what I mean?

Mr. HARRIS. One thing that does come to mind, Mr. Chairman, and I am certainly not an expert on this—I think in New York they have special schools for backward children, not retarded in the sense that they are mentally retarded but that they come from handicapped homes or deprived homes, call it what you will. I think they have done some very significant studies which show those things which should be done to them in their education that sort of puts some meat on the bones and those things which should not.

I think this is the sort of thing which would be very helpful to the Job Corps. Of course, those studies are probably dealing with younger students for the most part. I think all we can get here in the way of

experience would be very helpful. I say if anything, all of us have missed this and not paid too much attention to this problem.

Chairman PERKINS. Just assume we have a juvenile offender and he is enrolled in the Job Corps and his character is being molded, the capacity to learn; do you feel those qualities are of sufficient importance aside from the employment factor to keep the Job Corps in operation?

Mr. HARRIS. Mr. Chairman, you have touched upon something that I do feel keenly about as a sociologist and as a citizen.

I think we have to have a very careful reexamination of all governmental programs, not just the Job Corps, but local and State programs, too, of what we do with these kids that have been criminal.

Chairman PERKINS. I agree with you.

Mr. HARRIS. I think it is fair to say the Job Corps would like to screen out these criminals.

Chairman PERKINS. You know the schools today are not handling this type of youngster.

Mr. HARRIS. That is the trouble. Everybody wants to show such a good record by avoiding all the tough cases that therefore the tough cases just wander free and then they cause all of the damage.

Chairman PERKINS. That has been the difficulty with our vocational institutions today. They have a high placement record. They want to retain that high placement record and they want everything that is just perfect and normal for them to do so and we have overlooked the problem youngster in this country.

Do you agree with that statement?

Mr. HARRIS. Yes, sir, absolutely.

I feel it is almost as though we wished these youngsters would go out of sight so that we could not see them. I think it is the Government's responsibility to see that programs are developed—local, State, and Federal—to do something with them other than just letting them run free on the streets.

I feel that as deeply as anything.

Chairman PERKINS. Don't you think as a sociologist that our greatest period of learning lays ahead insofar as dealing with this problem youngster that lacks basic education and that we should continue for the period of time with this experimentation, if you want to use that terminology where we are obtaining valuable information that we can pass along to our other school systems and industry by keeping the Job Corps in operation in the future.

I am just asking you that question now as a sociologist, and without even cutting it back on expenditures.

Mr. HARRIS. Let me say that that does not come out of our surveys that we have done for the Job Corps necessarily, we not only don't have the benchmarks to know what can be done but we have let pass out of existence it seems to me something—I will put it this way:

If you can say on balance the net effect has been positive, that is a gain. I would be very worried about wiping out something that you think on balance is positive, particularly when we see what happens from lack of action.

Chairman PERKINS. At this period in American history that we are going through at present, you would be most reluctant if you

were in a position to make a judgment to cut the Job Corps program back to any degree?

I am just asking you that as a sociologist.

Mr. HARRIS. I think we are in the position of being caught with less, not with more.

Chairman PERKINS. Mr. Ayres?

Mr. AYRES. In view of the fact of the proven capabilities of Mr. Harris' organization, and in view of the fact that the executive branch has spent thousands of dollars on surveys, I think we might break precedent and utilize the Harris service in the legislative branch. Perhaps as a good starting point we might find out what is going to happen in the country with the students who cannot carry a load and are placed in categories in schools and thus become dropouts.

I would be very much interested in you authorizing or suggesting that this committee hire the services of Mr. Harris to determine what is going to happen if the track system is abandoned.

Chairman PERKINS. I know my colleague from Ohio will bring that up before the committee some time for a general discussion.

Mr. Harris, just an elementary proposition—our schools in this country are not set up today to handle the type of problem child that the Job Corps is dealing with; is that correct?

Mr. HARRIS. Yes, sir.

Chairman PERKINS. Were you going to say something else?

Mr. HARRIS. As Congressman Ayres said, I would be delighted to do it.

Not only with the legislative but with the judicial as well. Somehow the arms of government do not seem to be able to generate their own objective facts which are so critical to evaluation.

I think the judicial, of all the branches—we are in legislative chambers here—gets into some terrible troubles debating matters of fact when indeed facts should be a factor, not a matter of opinion.

I think it is a terrible kind of encumbrance to operate under. Assertion then takes the place of fact. We should accept fact and we can have all of the arguments, debates, and disagreements over what we do about those facts.

If we don't agree what the facts are we will be hit by the blind side every Monday morning, I fear, for a long time to come.

Mr. AYRES. As you pointed out, I think many of these congressional questionnaires which go out are misinterpreted because, as you said, number one, you don't know where it is being returned from, and number two, the segments of our society are more inclined to answer questionnaires but they are all registered voters. So you could say 60 percent of the people in my district feel this way because you have a certain percentage of returns but you may have only heard from those who agree with your position so therefore you are inclined to agree this should be done.

Mr. HARRIS. We all tend to agree with those results that feed our preconceived notions. It is hard the other way.

Chairman PERKINS. I think we all agree that we do not have residential centers in operation in this country at this time to do this type of training for the youngsters that are now in the Job Corps.

Am I correct on that?

Mr. HARRIS. I am not an authority on that, Mr. Chairman, but it is my impression that we do not have them.

Chairman PERKINS. Until we get the facilities constructed, it would just point up how grave the error would be if we undertook to cut back on the Job Corps.

Is that correct?

Mr. HARRIS. Mr. Chairman, I might say if you leave aside just the Job Corps as such because I don't want to appear here just as a special pleader for the Job Corps, but it would seem to me if you included the Job Corps and a lot of other things, private things, local, State, and national, it is apparent we have a paucity of facilities not an overabundance of facilities.

I think this is the critical point.

I don't see how anyone can say that America for all of our wealth and affluence and growth and development has done the job of taking care of the basic psychic needs just to be an independent, self-respecting human being of many of our people.

This is true, and I think it is one of the gaping holes for all of the claims that we have about our country.

Chairman PERKINS. From the standpoint of the lack of evaluation, you have made mention of the fact that many of the governmental agencies do not evaluate their success and failures to the extent they should be evaluated.

You pointed out that applies not only to the Job Corps but you feel that the office of Economic Opportunity is taking advantage of the shortcomings as much so as any other infant agency that you know of.

Mr. HARRIS. I gather that advice today did do something. I don't want to open a can of worms on this, but I would say if it is the Department of Agriculture or the Department of Labor or the Department of State, even DOD, which is modernized a great deal, I still have a feeling that the Government is somewhat notorious by its undertaking rather vast programs and then leaving to chance what their real impact is.

There are lots of claims around campaign time pro and con about these things but I am afraid they are subject to the vagaries of extreme partisanship.

One thing I might say which I don't mean as a reflection at all on anyone here or the Congress as a whole but I must say, from my own experience that men in elective offices are extraordinarily sensitive about where they stand themselves, and for the life of me, I think in terms of their own individuality this ought to be translated more into the programs they generate.

Chairman PERKINS. Thank you very much for your appearance here, Mr. Harris. I know the committee appreciate your appearance. You have been most helpful in making some definite clarifications which have been most outstanding during the course of these hearings.

The committee will recess until 2 p.m.

(Whereupon, at 1:15 the committee was recessed to reconvene at 2 p.m. the same day.)

AFTERNOON SESSION

Chairman PERKINS. The committee will come to order. It is a great pleasure for me to welcome you back before the committee again, Sargent Shriver.

We have been running along here for several weeks. One of the principal targets has been your operation of the Job Corps. We are delighted that you are back with us again. I know the Members will have several questions.

This morning we had a most interesting witness, Mr. Lou Harris. In the course of your remarks, you may tell us whether you or any of your corps of workers ever undertook to suppress this Harris report, whether you have benefitted from the Harris report.

I notice you have a prepared statement. You may proceed in any way that you prefer.

STATEMENT OF SARGENT SHRIVER, DIRECTOR, OFFICE OF ECONOMIC OPPORTUNITY

Mr. SHRIVER. Thank you very much, Mr. Chairman and Members of the committee.

Five months ago this committee was presented with a tightened and strengthened version of the Economic Opportunity Act proposed by this administration for fiscal year 1968.

Two months later a substitute bill was introduced by certain Members of this committee.

In your consideration of antipoverty legislation you have held more than 6 weeks of hearings and listened to more than 100 witnesses—the great majority of them from outside Government, and many of them from both national political parties.

I am glad to have this opportunity to sum up the record as it looks to me.

The first question at which you have taken a long, hard look is this: Should there be an Office of Economic Opportunity? Of the 97 public witnesses who have appeared before you, 64 have addressed themselves to this question in their testimony.

Of these, only one called for the elimination of OEO, the independent agency the Congress established to hear and serve the needs of the poor.

As compared to this solitary witness, here are some of the witnesses who voiced a strong appeal for the continuation of OEO:

Mitchell Ginsberg, distinguished scholar and commissioner of welfare of New York City—speaking for the National Association of Social Workers.

Andrew Biemiller, legislative director of the AFL-CIO, speaking for 14 million American working men and women.

Monsignor Corcoran, executive secretary of the National Conference of Catholic Charities, speaking for millions of fellow Americans.

Rabbi Richard Hirsch, director of the Religious Action Center, speaking on behalf of the Interreligious Committee Against Poverty, a coordinating body of all religious groups in America.

Mrs. Bruce Benson, vice president of the League of Women Voters, speaking on behalf of thousands of informed and active women across America.

Miss Dorothy Height, president of the National Council of Negro Women, representing tens of thousands of women long active in the struggle against poverty.

Joseph Barr, mayor of Pittsburgh, and president of the United States Conference of Mayors, speaking for the chief executives of the Nation's 600 largest cities.

Whitney Young, director of the National Urban League, distinguished civil rights leader.

Arthur Flemming, president of the University of Oregon, former Secretary of Health, Education, and Welfare, and representing the National Council of Churches.

Clarence Mitchell, Washington representative of the NAACP, speaking for half a million members of that organization.

William Gossett, president-elect of the American Bar Association, thousands of whose members have already been helpful in the War on Poverty.

Richard Boone, director of the Citizen's Crusade Against Poverty, a coalition of over 100 national organizations in every walk of American life.

Mrs. Fred Harris, speaking technically only for herself, but in effect, speaking for millions of Americans on Indian reservations, in migrant labor streams, and in rural America. She is the wife of Senator Fred Harris from the State of Oklahoma.

I could go on and on.

The 4,000 pages of testimony already in your record are replete with the names of others—business leaders, health experts, conservationists, veterans, religious leaders, women—the whole spectrum of American society—speaking with one voice.

"We need the OEO"—as it is or strengthened.

Another major issue that came before this committee was whether or not Job Corps should be converted into a vocational education program under the Office of Education.

Those in our country most familiar with Job Corps said: "No." It should not.

The Secretary of Labor said: "No."

Top officials of HEW said: "No."

Dean William Perlmutter of the State College of New York said: "No."

G. C. Whitaker, board chairman of Graflex, said: "No."

Dr. Spencer Smith of the Citizen's Committee on Natural Resources, said: "No."

These were some of the witnesses who saw the value of Job Corps. They want it kept a part of OEO to serve—in cooperation with American business—the hardest hit of the poor.

Just today, the Director of the Job Corps received a letter from the Governor of Indiana which I should like to quote:

DEAR MR. KELLY: The State of Indiana thanks the United States Job Corps for the work done by 108 of its men from Camp Atterberry in helping clear the dead alewife fish from the Indiana Shores of Lake Michigan.

The men worked for two and one-half days in Michigan City, Beverly Shores, Gary, East Chicago, and Whiting. They worked hard despite the unpleasantness of their task and their deportment was excellent.

These communities, especially Beverly Shores, could not have met this hazard to the public health without the helping hand from the Job Corpsmen.

Again, we thank you and the men of the Camp Atterberry Corps Center.

Sincerely yours,

ROBERT D. BRANIGAN,
Governor of Indiana.

Another big issue concerned Headstart. Should it also be transferred to the Office of Education? Here too, the record is clear.

While some educators, testifying on the Elementary and Secondary Education Act have said that Headstart should be transferred—those who are experts on the subject of poverty say, “No.”

Headstart is more than an educational program. It affects the total life and culture of the child—his health, his parents, behavior, environment, diet and outlook.

The entire program is directly related to the community action effort. Your witnesses agreed that Headstart should remain a part of OEO.

Another question concerned the earmarking of funds. No witness nor any Member of Congress suggested that local community initiative be limited by the earmarking of funds. To the contrary, all witnesses speaking on the issue strongly urged that there be no earmarking of community action funds.

Every witness who commented on local share, urged a return to the 90-10 Federal-local matching requirement, rather than an increase in the share required by local communities. This testimony runs contrary to the proposal of the Opportunity Crusade that even greater funds be demanded from the local communities.

OEO is sometimes accused of spending too much—but the witnesses who appeared here seem to be saying exactly the opposite: OEO is not spending nearly enough.

Whitney Young said we should spend at least \$10 billion per year. AFL-CIO said spend more money.

The Citizen's Crusade Against Poverty said spend more.

Clarence Mitchell of the NAACP said spend more.

The representatives of America's bar associations—not just the American Bar Association but the National Bar Association, the Trial Lawyers Association, the National Legal Aid and Public Defenders Association, Republicans as well as Democrats—urged the Legal Services Program spend three times as much as now.

Educators said: “Double Upward Bound.”

Mayors asked for twice as many Neighborhood Youth Corps enrollees.

The Governor of Alaska, for one, urged us to double VISTA.

And, following the recent trouble in Detroit, Governor Romney sent an urgent telegram requesting 200 additional VISTA volunteers.

I am happy to tell you that by 5 p.m. of the day the Governor sent the telegram, 35 VISTA volunteers arrived. Forty-six arrived Saturday; 50 arrived Sunday; 55 more will be there today; 2 will arrive tomorrow, and 57 more on Wednesday.

This is a poverty program in action where it is needed. And it is needed everywhere.

That's the record. You heard it. I heard it. The American public has heard it. No one can conclude from the testimony that OEO is not doing its jobs. Its performance is known and its record is clear.

On the other hand, what witness or what group has spoken on behalf of the proposed Opportunity Crusade? No one said, let's try something else. No witness has explained why the substitute bill would provide a better program.

Where were the witnesses who thought OEO should be dismantled

and destroyed? Only the U.S. Chamber of Commerce thought Job Corps and Headstart should be shifted.

But, not even the Chamber of Commerce said that OEO should be eliminated.

Who came here to say OEO should be given less money? No one.

The record is clear. OEO has been given bipartisan support to speak and work on behalf of America's poor. It has been given bipartisan support for the President's request to a \$2.06 billion appropriation.

Now it is our urgent responsibility to let the poor of urban and rural America know that it is not a question of how long it will take to defeat poverty, but how soon.

Since you began your hearing, American streets have become American battlegrounds. Instead of guns and butter, it seems now to be guns and guns.

Let me make my position unmistakably clear. When I became Director of OEO, I took an oath—a simple oath to defend this country against all enemies, foreign and domestic.

I consider those who would mock our laws, shatter our peace, burn our homes, and kill our people to be enemies of our country. To promote, encourage, tolerate, or excuse violence is against every intention I have had, against every action I have taken since I came to Washington in 1961.

After the riots began, voices of reason and order swiftly announced: "We will not tolerate violence. We will not permit lawlessness."

And they are right.

But there are voices that say, "We cannot, as a Nation, tolerate the conditions that produce violence and lawlessness."

And they are right, too.

The programs of the war on poverty and the countless people who have volunteered or are employed to carry them out are squarely on the side of law and order.

Yet, we have seen cynical attempts to create doubt and fear about the role of the war on poverty in the aftermath of violence and disorder.

Such attempts are unworthy of any public official or private citizen. And they cannot be permitted to stay the hand or weaken the resolve of Congress in passing that legislation most needed to eliminate discontent and eradicate the causes of violence and disorder.

Let there be no mistake about it. Riots that barnstorm the country in June, July, and August are not just quaint happenings.

Beneath the surface of America's cities is an explosive store of discontent waiting for a random spark to ignite it.

Ten years ago James Conant wrote a book on slums and schools in which he coined a phrase "social dynamite." At that time he described what was in store for all of us if we fail to do something about the social dynamite and the slums.

Today, finally, many Americans are beginning to recognize that he was not using merely a metaphor to explain the situation. He was talking about the truth—social dynamite.

This social dynamite comes from discontent with joblessness, discontent with inhuman housing, discontent with money-hungry landlords and merchants, discontent with the raw differences between

justice, health, and convenience for the poor and the rest of America. These are the combustibles that fire up a riot.

But even if there were no riots, even if every impoverished section of America remained quiet and uncomplaining, the conditions are wrong. They are wrong socially, politically, and morally. And they just must be corrected—wherever they exist.

Through the Economic Opportunity legislation, you have provided a variety of mechanisms in the best traditions of America to right these wrongs.

The 4,000 pages of testimony accumulated in these hearings provide ample evidence they are working.

But what about these charges that employees of antipoverty programs have been involved in stimulating, encouraging, and participating in acts of violence?

We have canvassed the cities and have found that these allegations are simply not true.

To the contrary. In most every one of the 1,050 communities where community action exists, there is ample evidence that the CAA is calming fears and frustrations: bridging the communications gap between the poor and the rest of the community, providing the opportunities that put people to work, giving them training and education, and showing them that health and justice exist for them right where they live.

These efforts are recognized across the Nation.

The Honorable Harold M. Tolleson, mayor of Tacoma, Wash., and the president of the National League of Cities said:

We are distributed at recent charges . . . that the anti-poverty program has been responsible for stirring up unrest. The anti-poverty program in city after city has been responsible for just the opposite of that.

Because of the riots and the problems they reflect, Cardinal O'Boyle of Washington yesterday called for the development of a stronger antipoverty program "whatever the cost."

Last Friday, John Lindsay, the Republican mayor of New York, defended the antipoverty program strongly when asked if the arrest of four young participants reflected the failure of the program.

It is not the failure of the program, he said. Since July 1, we have recruited 35,000 youngsters . . . in the Neighborhood Youth Corps. If you only recruit youngsters who never had a problem or never will have a problem, then the program is a failure.

Let me back up these comments with additional facts.

In the 27 cities that have had riots this summer, there are 12,128 persons who are direct employees of OEO-funded agencies. Most of them are neighborhood workers, health aids, clerical staff, community organizers, and live in or near the ghetto neighborhoods in which the riots occurred.

In these 27 cities, a total of 6,733 persons were arrested. In the same 27 cities, six of the 12,128 paid poverty workers were arrested. To date, none of the six has come to trial and none has been convicted.

A second chart shows in 27 cities, the total estimated damage to buildings in the ghettos is \$273,652,800. OEO pays the rent on 491 facilities in these 27 cities. These are local neighborhood centers, sub-centers, outreach centers, from which the war on poverty attempts

to reach the poor and to help them to help themselves—491 such facilities—not a single one of all of these facilities was burned.

Not a single one was looted. And the total damage was confined to a few broken plate glass windows. Why? Because like buildings displaying the Red Cross in time of war, the people recognized that these facilities were among the few places where they could find refuge and aid.

In Detroit alone, 3,783 persons were arrested. There are 1,547 paid antipoverty workers in that city but not a single one is under arrest.

The bottom chart there which you can see shows the central part of the city of Detroit. The crosshatched area is the area of Detroit where there were riots. The red dots show the locations of the facilities being rented by OEO as centers for the war against poverty.

All but one of those as you can see is right in the heart of the riot area.

This chart shows where the centers were located. It shows where the riots have taken place, and it illustrates how it is almost a miracle that those buildings in the middle of the riot remained untouched or unharmed except to the extent of \$840—in Detroit to the extent of \$150 and to the extent of \$840 for the 27 cities where riots have occurred across the country in the last few weeks.

Let me give you a rundown on cities and a handful of the stories of individual and group heroism that surfaced during these riots. These are the stories that largely have yet to make the national headlines.

In Detroit, all the centers on this map continued their operations during the entire period of the riot. In the first 2 nights of the riot, these two centers, Western and Southeastern, were open all night.

All the centers were open until 8 p.m. during the night of the holocaust, and they began closing their doors an hour earlier only when the curfew was established.

This is a photograph, a blowup of the substation at 8906 12th Street in Detroit, an area where some of the worst damage was inflicted. This substation, an OEO poverty center, suffered only one broken window-pane.

This is the Eastern Community Action Center. You can perhaps see the sign on it at the opposite end of the photograph. You can see the demolition all over the street. You can also see that the Community action center was untouched.

This is another picture in the middle of the riot area of Detroit. You wouldn't think it was an antipoverty center because it says on the building: "Formosa Garden Chop Suey Carryout Service", but this is a center that we lease right in the middle and that line of poor people, both black and white, are waiting for food and medical supplies distributed through the war on poverty.

That center, an antipoverty center in the middle of the riot area, was not damaged.

Of a total of 1,547 paid antipoverty workers in these and other centers in the city, 1,165 live in or in close proximity to the riot area.

In the early stages of the outbursts, these men and women worked continuously, trying to calm the unruly crowds. Toward the end of the riot and even now, neighborhood workers and community orga-

nizers circulated through the area and tried to find out what help was needed in the way of food, clothing, and shelter for the victims burned out.

These workers were put into action by the CAP director, Phil Rutledge, who was assigned by the mayor to head a special committee coordinating the efforts of private and public agencies to aid the victims of the riot. The four main centers—and they are the biggest red dots on the chart—have been used as food distribution centers for the city of Detroit, even now as this committee meets.

In Newark, on the first night of the riot, members of the Community Action staff attempted to disperse the crowd in front of a police station, but were unsuccessful.

Throughout the riot, many of the CAP staff continued to get people off the streets.

During the worst days and nights, 30 Neighborhood Youth Corps police cadets worked 12-hour shifts. Four were at the 4th precinct which was rushed three times by rioters.

The cadets manned the communication system, took over the desk duties, and freed patrolmen for antiriot duties.

"They were magnificent," said Newark Police Commissioner Dominick A. Spina.

Two hundred New York City enrollees working for the Housing Authority aided in everything from emergency food distribution to loading and unloading trucks.

To the best of our knowledge none of the 2,560 New York City enrollees is known to have been involved in the rioting or looting, despite the fact that they were right in the middle of the worst hysteria and mob psychology and violence.

In Grand Rapids, a week ago today, the Community Action agency in that city ordered a task force of street workers into the riot area to help the police.

The task force consisted of 16 summer antipoverty workers. It was expanded the next night to 50 summer antipoverty workers. The whites in the group worked in the downtown area and the Negroes moved about the southeast side, telling folks to calm down.

Members of the group received police identification cards and some were issued bullhorns. On the second night of rioting, two of them received shotgun wounds during the performance of their duties.

The Grand Rapids press described them as a "group of young Negroes bent on trying to keep Grand Rapids cool."

Capt. Francis Pierce, head of the police riot squad, said "They are doing a beautiful job and believe me we appreciate it."

The task force of street workers is a \$20,000 component of Grand Rapids \$49,000 emergency summer program.

In Toledo some 25 neighborhood center Outreach workers maintained the only communication with teenage rioters on Monday and Tuesday nights.

Neighborhood poverty centers manned all-night telephones to take complaints and grievances, suggesting every time that they should be resolved in conversation rather than in conflict, in mediation rather than with Molotov cocktails.

In city after city, the poverty workers have tried to prevent, not

cause, riots. When riots did occur, they were working next to the police and national guard to bring an end to the lawlessness.

In Elizabeth, N.J., for example, the director of the community action agency, after a night of high tension and some violence, convened a meeting of responsible adult leaders of the Negro community, helped them get up a list of requests, and acted as spokesman for the community in presenting these requests to the mayor.

The mayor agreed to most of the requests, which were concerned solely with actions to keep tensions down, including designation of a group of men from the community to tour the streets, talk to youngsters, and help keep the area calm.

They wore special identifying insignia bearing the legend "Peace Keeper" which had been selected by the mayor. So far, this band of "Peace Keepers" sometimes walking the streets until the early morning hours, has proved effective in sparing Elizabeth the agony of a riot.

Last weekend, I received a telegram which summarizes the effectiveness of the poverty workers. The telegram is from the mayor of Newark, Hugh J. Addonizio:

Let there be no mistake about my position in regard to the national antipoverty program. I support the program and all it has done to bring hope to many including thousands in my own city.

Any suggestion or interpretation of remarks attributed to me which suggest I am opposed to antipoverty programs are wrong. . . . There is no mayor anywhere in America who can say he wants the elimination of the anti-poverty program . . . programs such as our Legal Services Project, Head Start, the Neighborhood Youth Corps, our year-round pre-school and our summer recreation programs are now all indispensable parts of our community's life.

Newark and all our cities would be worse without these programs.

Whenever manmade tragedy strikes, it is popular to look for a scapegoat. But the time has come for action—not recrimination.

I suggest we adopt the position most eloquently stated by Senator Thruston Morton who said last Wednesday:

I deplore the irresponsibility of seeking to place blame for a national tragedy. Our time of troubles will not be remedied by blatant accusations and pious political posturing.

It is time also for the sense of urgent priorities which led Senator Morton to his recommendation that funds immediately be put into our cities to give jobs to the jobless and hope to the hopeless.

Mayor Cavanagh has just sent me this telegram which arrived last night and I would like to quote from it:

Employees and enrollees in the Detroit Community Action Program have been very helpful in minimizing the effects of the riot. No known employee of either the CAA or its delegate agencies have been involved in the riot.

Only three enrollees out of almost 5,000 in the Neighborhood Youth Corps, youth service corps, and other antipoverty efforts, have been accused of involvement in the rioting and looting.

Had it not been for the effectiveness of the antipoverty program in providing needed services and building bridges of communication in the community the riot might have been worse.

I urge immediate passage of the pending 1967 Economic Opportunity Act Amendments in order to expand badly-needed programs.

Signed JEROME P. CAVANAGH,
Mayor.

I would also like to call your attention to another chart which is over there against the wall. I have been talking up to now about the

number of employees who worked directly for an antipoverty agency like a neighborhood center which is a direct component, let us say, of the OEO.

This chart takes a number of cities and gives an idea of the total number of people who are funded directly or even indirectly by OEO, people, for example, who work for the YMCA Streets Program in Chicago, people who work in some group attempting to deal with young gangs of people, workers who are working with private agencies and who are right in the middle of the ghettos, right in the middle of where the riots are.

Now, it has occurred when one of these young people gets picked up for doing something which somebody thinks is wrong, they are immediately identified or frequently they are identified in the newspaper as an antipoverty worker as if they were our direct employees.

In many cases they are not, they are indirect employees because the agency for which they work is financed by us, but to give you an idea of the magnitude, just in those cities there which is 10 cities, there were 30,000 such people right in the middle of the riot area.

Four workers out of the 30,000 were arrested and charged with something. This does not mean anything was proven but they were arrested.

Twenty-two participants—that might be somebody like a Neighborhood Youth Corps youngster, a participant in an antipoverty program, 18 of whom as you see were in Cincinnati.

The facts that I have presented prove that OEO offers alternatives to violence; that OEO has taught the poor to build up, not tear down; that once the riots began, OEO smothered, not fanned, the flames.

Who, then, is responsible for the riots? I mean ultimate responsibility, not merely who shot the first gun or looted the first store.

I believe that all America is responsible. All of us here in this room. We are all actors in this American tragedy. We are in trouble because too many Americans prefer not to know each other.

Not to care about each other. As Governor Romney said just recently, "Most white people do not know any Negroes. Most Negroes do not know any white people."

This terrible isolation is what breeds distrust and hatred.

I am not saying Americans must all become friendly with each other or that privacy is evil. I'm just saying that the ignorance of our fellow citizen's needs destroys more than it protects.

Our country is destroyed when the man in the suburban house in Chevy Chase does not know about the man in the ghetto house in Cardozo.

Our country is destroyed when the affluent know more about the Beverly Hillbillies than the destitute poor in the Appalachian hollows in Kentucky or West Virginia.

Our country is destroyed when the scourage of rat bites on the bodies than a human being a few blocks over on First Avenue.

Our country is destroyed when we are softhearted about sending slum kids to summer camp but then softheaded about job training programs for their unemployed fathers.

Our country is destroyed when the scourge of rat bites on the bodies of poor children is treated as a laughing matter and funds are denied which could put an end to this infestation.

In Chicago, an OEO program has demonstrated that rats can be eradicated on a city-wide basis. Yet, we refuse to extend our knowledge to benefit the poor of every city.

Our country is destroyed in a thousand ways day by day by acts repeated like these.

It is foolish to think the country can go on like this. More and more the poor who are cut off from American life are repeating the sentiment of Churchill when someone tried to ignore Britain.

Churchill said: "We will not be dealt with as part of a blob."

And we in America cannot treat the poor as a blob. Their needs must be met in the same manner and speed that the appetites of the affluent are satisfied.

The need for jobs. The need for education. The need for decent housing. The need for health. The need for justice.

There must be a total elimination of poverty. Right now, OEO funding in Detroit represents only 14 percent of the need that this city has expressed.

In Hartford, we are spending only 6 percent of that city's needs. New York gets 10 percent of its need. Atlanta gets 21 percent.

But we cannot use lack of money as an excuse for lack of effort. What we don't have in financial resources we must make up in human resources.

The administration bill calls for a massive effort to create an army of volunteers for the war on poverty to supplement the 375,000 Americans who, this year alone, joined with us in the battle.

But, in addition, to this citizens volunteer corps, why can't the successful businessmen in our cities devote a few hours a week to working with the struggling businessmen in the slums?

Why can't a Catholic or Protestant parish in a suburban area adopt a church in the inner city?

Why can't our country clubs allow poor children to swim in the pool on Mondays when the clubs are closed?

Why can't architects devote some of their time working with the poor to build new communities?

OEO has funded just such a program in New York. It is a program called ARCH. With adequate funding, every community in America could have a program of this same type.

In short, why can't all Americans begin to use the alternative of democracy—because without democracy, there is no alternative.

In conclusions, I want to say a word about ghettos. Right away we think of a city slum. But there is another kind of ghetto—an interior ghetto of the mind where we seal off parts of democracy that don't suit us, where we box off our obligations to justice and shut out our commitments to fairness.

This ghetto of the mind is no less stinking and rotten than the ghetto of the city.

Right now, all of us have ghettos to get out of. The sooner we begin, the sooner this country can become what its founders meant it to be.

In truth, the war on poverty is not being fought for the poor. It is

for all Americans—because all Americans stand to gain by it.

Not just with peace in our cities, but also peace in our hearts.

Five years ago a young and valiant President, speaking on the steps of the Capitol of the United States, spoke these words:

To those peoples in the huts and villages of half the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves, for whatever period is required—not because the communists may be doing it, not because we seek their votes, but because it is right.

What President Kennedy, 5 years ago, pledged to the poor and destitute beyond the shores of America, we must now, both pledge and give to those who live in the ghettos of our cities and the blighted areas of rural America.

We must do it “not because the Communists may be doing it, not because we seek their votes, but because it is right.”

That completes my prepared testimony, Mr. Chairman.

Mr. SHRIVER. Mr. Chairman, I have here a telegram I think might be of some interest to the committee. It is from the Detroit, Mich., OEO office.

Chairman PERKINS. Without objection, the telegram will be inserted in the record at this point.

(The telegram referred to follows:)

[Telegram]

JULY 31, 1967.

TO: SARGENT SHRIVER.

Last Friday afternoon, July 29, at 5:00 p.m., the VISTA headquarters received a telegram from Governor George Romney approving the assignment of 200 VISTA Volunteers to assist in Detroit's rehabilitation efforts. The Volunteers were requested by the Governor to work with the Mayor's Committee for Human Resources Development in Detroit.

VISTA staff members were on the ground in Detroit in a matter of hours. Because of the necessity for the closest coordination with Cyrus Vance's staff, the Mayor's office and Bill Canon of the Bureau of the Budget, I personally went to Detroit to supervise the operation.

Soon after Governor Romney's request for Volunteers, the first Volunteers were in Detroit. Additional contingents will arrive in the city over the next three days. The schedule of their arrival for emergency duty is as follows:

Friday VISTAs already in Detroit.....	32
Saturday VISTA Volunteers.....	45
Sunday VISTA Volunteers.....	20
Monday VISTA Volunteers.....	55
Tuesday VISTA Volunteers.....	48
Wednesday VISTA Associates.....	15
Volunteer total.....	215

Volunteers are being lodged in the Tuller and Strathmore Hotels near the target areas. They are being moved immediately into special VISTA briefing sessions on the purpose of VISTA's mission in Detroit and on the special discipline and curfews required in light of the disturbances. All Volunteers are also receiving a special three-hour briefing by the Mayor's Committee on the immediate problems and needs in target areas and on services available.

VISTA Volunteers are moving out and going to work. They are helping to reinforce CAP neighborhood staffs in the four Administrative Centers and eighteen Local Subcenters. They are being sent to the city's major emergency receiving hospital, Detroit General, to supplement overtaxed and exhausted

staffs. They are moving into the Neighborhood Legal Services headquarters and the City Prosecutor's office in police headquarters to assist in interviewing and processing that week's staggering 4,000 arrests. (Normally, felony arrests in Detroit run around 8,000 a year.) Their goal is both to relieve massive clerical and legal problems and to facilitate release on bond of citizens so that they can return to their jobs and families. VISTA Volunteers are manning an emergency rat control project and working out of Archdiocese Headstart Centers locating children absent since the riots began. And, VISTA Volunteers are boarding donated dump trucks for clean-up campaigns.

During the crisis itself, VISTA Volunteers already in Detroit repeatedly exposed themselves to sniper fire in order to assist refugees, report disasters and help direct relief agencies to areas of greatest need. Others performed small and sometimes menial tasks that took some of the burden off overworked local staff.

The Volunteers are being supervised by 20 VISTA staff members from the VISTA office and VISTA Regional Training Centers. Their work is at all times being closely coordinated with Mr. Vance's office and with the Mayor's Committee for Human Resources Development.

One of the most important efforts now is to put the community in a position to help rebuild itself. To further this objective, VISTA is launching a campaign to recruit ghetto residents to serve as VISTA Associates. On Wednesday, the first fifteen VISTA Associates will be selected. Additional Associates will be added in the coming days. VISTA regards the recruitment of local people to carry on work begun on an emergency basis by VISTAs themselves as a high priority endeavor.

BILL GROOK,
Assistant Director VISTA.

Chairman PERKINS. While we are at this stage of placing documents into our record, I have here four letters written to me recently. The first three are in answer to my telegram requesting the views of these men concerning the amendments to the Economic Opportunity Act. They are from Don K. Price, dean of Harvard's School of Government; Stephen K. Bailey, dean of The Maxwell School of Citizenship and Public Affairs of the Syracuse University; and Bernard L. Gladieux, a partner in the management consultant firm of Knight & Gladieux of New York City, respectively.

The fourth letter is from a fellow Congressman out of New York, Leonard Farbstein of the 19th District, in which he sites his views on the same subject of the amendments to the Economic Opportunity Act with specific reference to the reincorporation of section 206(b) which is of particular interest to him.

Without objection, it is so ordered that these letters be made a part of our hearing record at this point.

(The letters follow:)

HARVARD UNIVERSITY,
JOHN FITZGERALD KENNEDY SCHOOL OF GOVERNMENT,
Cambridge, Mass., July 27, 1967.

HON. CARL D. PERKINS,
Chairman, Education and Labor Committee, U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR MR. PERKINS: I am writing in reply to your telegram of July 24, asking my opinion regarding the proposal to transfer the activities of the Office of Economic Opportunity to the several Executive departments with related functions.

For the typical governmental activities, the arguments against having operating programs in the Executive Office of the President, and in favor of assigning programs to the permanent departments, are of course valid.

On the other hand, I believe that programs of an emergency nature may from

time to time require administrative arrangements that provide for more initiative and flexible executive direction than can be provided by the regularly established personnel and procedures. Some of the programs during the Depression period and the Second World War were cases in point. It seems to me that the current situation, as the events in some of our major cities during the past few weeks suggest, similarly requires exceptional treatment.

While I do not pretend to have studied this particular administrative problem closely, and hence cannot express a detailed professional opinion on it, I have followed it generally and with great interest. If I were a member of Congress, I would, under the present circumstances, vote to extend and strengthen the role of the OEO, and oppose any move to abolish it or curtail its functions.

Yours sincerely,

DON K. PRICE, *Dean.*

SYRACUSE UNIVERSITY,
THE MAXWELL SCHOOL OF CITIZENSHIP AND PUBLIC AFFAIRS,
Syracuse, N.Y., July 28, 1967.

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

DEAR CONGRESSMAN PERKINS: This letter is in response to your telegram of July 21, 1967, on the subject of the appropriate administrative arrangements in the Executive Branch for the Anti-Poverty Programs.

I wish it were possible to set forth a series of immutable principles of public administration which could govern specific organizational dilemmas of the kind which you have posed. Alas, there are none. Like law, public administration is redolent with conflicting precedents and precepts. Traditional academic definitions of terms like "staff," "line," "span of control," "coordination," "hierarchy," "unity of command," are inherently ambiguous. Their utility is deeply contextual. Their application to a given situation is inevitably conditioned by prior assumptions of purposes to be served of existing political and administrative reality, and of the probably consequences of changing what presently exists.

Those who would scotch OEO on the grounds that it violates principles of good administration are as guilty of rationalization and speciousness as those who would defend it on the grounds of a priori administrative principles. Each side may think it is talking about principles of administration. In reality it is talking politics, even though administrative consequences are involved.

My strong preference would be to leave OEO where it is—at least for the time being. My judgment stems from the assumption that the reason OEO was placed initially in the Executive office of the President was that that is where the President and the Congress believed it belonged.

My hunch is that their appraisal of reality in 1964 was something as follows:

(1) Federal anti-poverty programs have been around in one form or another at least since the New Deal. They are lodged in a score of federal departments and agencies, notably HEW, HUD, Labor, Agriculture, Commerce, and Interior.

(2) These programs have been fragmented, and whatever their segmental successes, they have failed to accomplish the basic goal of abolishing intractable pockets of poverty in the United States.

(3) It is almost impossible for one line department or agency to accept direction and coordination by another line department or agency at the same level of command.

(4) Coordination of programs across departmental lines by informal or formal interagency committees is cumbersome at best, and, where long-standing and deep programmatic commitments exist within participating agencies, interagency committees often manufacture and exacerbate rather than temper and de-fuse administrative tensions.

(5) A total "war on poverty" needs a top staff which can operate through many traditional or stepped up programs in existing departments and agencies, but which can relate these several activities to an overarching objective.

(6) Such a top staff, for reasons suggested in (3) and (4) above, cannot

function effectively within an existing department or agency, nor can it develop a meaningful role as a new agency at simply an equivalent hierarchical level.

(7) On the organization chart of the Executive Branch, the only box above Departments and Agencies and below the President is the Executive Office of the President—a congeries of staff offices and assistants.

(8) But assigning OEO to EOP with a staff function only would be tantamount to making an already overburdened President the only effective line officer for the Anti-Poverty Program as a whole.

(9) Giving OEO line responsibility of its own, and additional funding responsibilities for programs carried out through traditional departments and agencies, is the only way to insure OEO sufficient status and power to give it a chance of success in the implementation and coordination of an over all anti-poverty strategy.

(10) Therefore, the principle of using EOP for Presidential staff functions only will in this case be violated in the interest of achieving an overarching goal in a field dominated by traditional, complex, multi-departmental jurisdictions and vested interests.

If these were in fact the considerations which led the President and the Congress to establish OEO in the Executive Office of the President, I see nothing in the present or in the immediate future to suggest that this initial reasoning was wrong or that its subsequent effects should be rescinded. The conditions operating in 1964 are still with us. To redistribute OEO functions to old line departments and agencies would be to cure diseases of the extremities by lopping off the head. This makes no sense to me: If anything, OEO needs more power rather than less. The problems of inter-departmental program coordination are real and they are difficult. But surely they are not solved by reducing or abolishing the only instruments of central perspective and influence which the Executive Branch possesses.

It is possible that a first rate study and analysis of the Executive Office of the President is needed, and that the name, title, and functions of OEO should be adjusted to conform to a new pattern of administrative organization within EOP. (Why, for example, should the Office of the Secretary of Defense be so much better equipped with staff and with cross-cutting Assistant Secretaries than the Executive Office of the President of the United States?) But to abolish OEO and to scatter its functions among cabinet departments and independent agencies would be to turn the "war on poverty" into a series of unrelated and potentially chaotic skirmishes. The administrative diseases of the modern nation-states are not cured by a reversion to feudalism. Thrust and creativity and energy are not promoted by assigning new and bold tasks to already preoccupied officials in traditional agencies.

Coordinating the Great Society programs is a troublesome problem. I would only argue that it is not to be accomplished by dismantling the few coordinating and innovating mechanisms which presently exist.

I cannot refrain from one postscript. This letter is being written after a week of ghetto riots throughout the nation. Rioting is simply one of the ugly faces of poverty and discrimination. Some Congressmen seem satisfied with cries for law and order. But law and order are the effects as well as the causes of domestic tranquility. There are four basic cures for urban riots: environmental decency, education, employment, and the dignity that comes from a sense of at least a minimum income combined with a sense of equal rights and equal opportunity.

As I understand it, the administration's anti-poverty and compensatory education programs are aimed at most of these basic issues. I am convinced that the nation needs to do more—especially in guaranteeing a minimum income paid without the indignity of welfare investigations.

But it seems to me ironical in the extreme that Congress should be considering the administrative dismantling of OEO at this particular moment of natural pathology.

With warm personal regards.

Sincerely,

STEPHEN K. BAILEY,
Dean and President,
American Society for Public Administration.

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

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.

This program was enacted as part of last year's poverty program with \$8 million being appropriated by the Congress. So far, about one-third of this money has been spent. The reason why more money was not spent was because OEO was slow in implementing the program. It was only in the last two months of fiscal 1967, that requests were processed by OEO. Almost \$2.6 million was funded in this very short period of time. I believe it would be wise to include this small loan program in this year's poverty legislation in order to assure that the money is used for what it is intended, and to meet the rising demand for program funds from local communities all over the country.

Small loans to individuals to purchase tools, for transportation fare, to buy work clothing, and to obtain and hold jobs, can have a far-reaching impact on the lives of poor families. It has already reached migrant workers in California whose incomes have been disrupted by floods. It has provided poor tenant families in Mississippi and other Southern states with the means to buy food stamps. It has begun to reach the urban poor in areas like New York City, St. Louis and Detroit.

In my own district, the 19th Congressional District of New York, two loans have recently been made to local agencies: a \$150,000 grant to Mobilization for Youth, and a \$94,000 grant to the New York Community Development Agency for the Lower West Side Community Agency. These specific programs await only the signature of the Governor of the State of New York before loan assistance to poor people in the heart of New York City will be available.

Mr. Chairman, as head of the distinguished Committee on Education and Labor, I would appreciate your support in seeing this provision incorporated into the Act of 1967. It is a sound program, worthy of the Committee's careful consideration.

With kind regards, I am

Sincerely yours,

HON. LEONARD FARBSTEIN,
Member of Congress.

Chairman PERKINS. Let me compliment you, Sargent Shriver, on such an outstanding statement. I personally feel that all of us talk about the poverty workers precipitating in riots has been unduly exaggerated and I would just hate to think of just what may have taken place, had it not been for the poverty workers serving as a stabilizing factor.

I would like to ask you the annual cost of the Job Corps enrollees at the present time.

Mr. SHRIVER. The average annual cost is \$6,950 per enrollee. I would like to ask Mr. Kelly, the Director of the Job Corps, to come up here to this table and give you answers to such additional questions as you or other members of the committee may have about the Job Corps.

Chairman PERKINS. First tell us whether you ever attempted to supervise the report of the Harris Organization, whether the facts that were pointed up, the shortcomings of the Harris Survey, if you undertook to put those into operation and make them a more effective operation.

Mr. SHRIVER. To the best of my knowledge, I certainly never attempted to suppress the Harris reports. The Harris report—and I don't think that any member of my staff in the Job Corps or elsewhere ever attempts to suppress the results of the Harris Survey.

As I understand it from the Job Corps, and Mr. Kelly runs the Job Corps—I don't follow every day-to-day or hour-to-hour decision—as I understand it, the purpose of employing Mr. Harris' company was to find out what the weaknesses were in the Job Corps operations and the

basis of the facts which were discovered then to improve the day-to-day, month-to-month operation.

I think that what Mr. Kelly and his associates have done is to try to utilize those reports to improve their operation.

Bill, the question was twofold. Has somebody or anybody in the OEO attempted to suppress these reports, and what have you done with them?

Mr. KELLY. No. As a matter of fact, Mr. Chairman, in February right after the first Harris survey was delivered to OEO, a copy of that survey was made available to a reporter here in Washington, and that can be verified by Mr. Herbert Cramer, who is the Director of Public Affairs for the OEO, because he is the gentleman who made that copy available to not only one reporter but to a number of reporters who came in and asked for it. So we made no attempt to suppress it.

One of the problems we had was that we had a limited number of copies. We did say to some people if you want to see the Harris survey you should come to our office, our library and you can read it there rather than reordering or spending the money that it would take to reprint a number of copies. We did, however, at the request of this committee—

Chairman PERKINS. Give us an idea about the changes that have taken place in the operation since this survey.

Mr. KELLY. We have a chart which we call the New Job Corps.

The first Harris survey was why the dropout. That was the question that was asked. Why did we have youngsters drop out of the Job Corps? The kids that were queried, some of them had dropped out in 1955 and some had dropped out in 1956 and some of the reasons they gave for dropping out was that they were homesick, that there had been some fighting in the Job Corps, that there were too many Negroes in the Job Corps, and that they couldn't get the kind of training that they wanted.

As a result of the first Harris Survey we came out with a new orientation program so that the youngsters who were to be screened for the Job Corps got a truer picture of what the Job Corps was all about. As a matter of fact, we even provided our screeners in the employment service pictures of the Job Corps Centers. We also tightened up discipline in the Job Corps. I issued a code of corpsmen behavior which I believe we inserted in the record the last time we were up here. We also developed and published a code of staff behavior that we did have up to that point in time.

We came out with a screening manual that I think was—here are the two codes of behavior. If we have not put them in the record, with you permission I think it would be well if we could.

Chairman PERKINS. Without objection they will be included.

(The documents follow:)



Travel Note:

WHEN YOU GO TO YOUR CENTER

Sometimes things go wrong when people travel. If you have any trouble while traveling between your home and your Job Corps Center, find the nearest telephone, dial Operator and say: "I want to place a collect call to _____ in _____.

The number is _____." When you get _____ tell him what your trouble is and he will help you.

Screeners' name _____

Address _____

The person to see at your center if you have any questions is _____

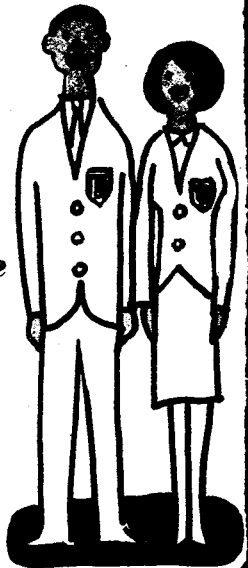
3

Job Corps Behavior and Appearance Code

Every job has rules on how you should look and act. Job Corps also has such rules. This booklet tells you what they are. By following Job Corps rules you learn to follow the rules of the job you will go to after Job Corps.

Manners and Appearance

Members of the Job Corps are expected to be honest and considerate of others on and off the center. The way you act may decide whether you get or keep a job. The way you look helps people decide what you and Job Corps are like.



4

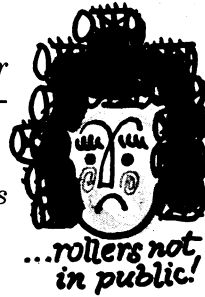
THEY AND WE EXPECT THAT YOU WILL:

1. be polite
2. not swear or use dirty words
3. avoid being loud and rowdy
4. be neat, clean, and properly dressed according to center rules
5. Keep hair neat and presentable



IN ADDITION:

1. Men must not wear hats or any head coverings in buildings except when required
2. Men must shave regularly
3. Women must not wear rollers in public areas



5

Attendance and Schedules

Members of the Job Corps are expected to behave at the center as they would on a job. Regular attendance and being on time are needed to hold any job.

YOU MUST ATTEND ON TIME:

1. classes
2. work assignments
3. vocational training
4. medical appointments
5. scheduled meetings
6. fire drills



6



IN ADDITION IT IS EXPECTED THAT:

1. You have permission before leaving the center
2. Your leave or pass is like a vacation from a job, so you will return on time
3. You will obey your center's rules on "lights out" and bed-time
4. You will get out of bed at the required time, and stay up
5. You will carry your identification as required by the center

...lights out!

7

Care of Property

Members of the Job Corps are expected to take care of all clothing, equipment, and property. You will have to do this to keep any job.



...not damage property

IT IS EXPECTED THAT YOU WILL:

1. Keep assigned living areas and storage places neat, clean, and ready for inspection at any time
2. not damage property
3. not take or use someone else's property without permission
4. return borrowed books, tools, and other equipment on time and in good condition

8

Observing Special Rules

Members of the Job Corps are required to follow special rules which are made for their safety and health, and for the smooth operation of the center.

YOU MUST NOT:

1. *smoke in bed*
2. *have or drink alcoholic beverages at the center*
3. *hitchhike*
4. *drive a vehicle without proper authorization*
5. *gamble*
6. *turn in a false fire alarm*

no hitchhiking...



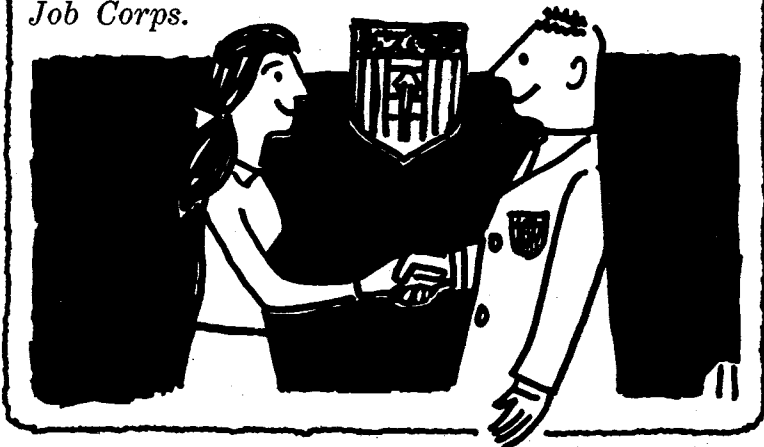
Obeying Local, State and Federal Laws

Almost all members of the Job Corps are citizens of the United States. You have the same rights as any other citizen. You also must obey the same laws as any other citizen. These laws are made to help you. If you break the laws, you may be arrested, fined or jailed.

FOR EXAMPLE, IT IS AGAINST THE LAW TO:

1. *cause physical harm to any other person*
2. *have or conceal guns, knives or other weapons*
3. *have, use or supply narcotics*
4. *supply alcoholic beverages to anyone under age*
5. *force another to do anything against his will*
6. *commit a sex offense*

Only if you follow the Job Corps Behavior and Appearance Code can you be rewarded with increased pay, promotions, and extra privileges. Failure to follow these rules may result in loss of pay and promotion, or in discharge from the Job Corps.



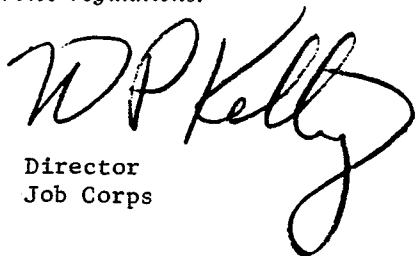
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Staff Code

The following establishes standards for Job Corps staff members. The purpose of these standards is to help staff members be effective models for Corpsmembers. These standards emphasize that the way a staff member looks and acts has an important influence on Corpsmembers. These standards are the minimum required, and do not replace Center regulations, or Civil Service regulations.

Director
Job Corps



Appearance and Conduct

Many Job Corpsmembers come to Job Corps with habits of appearance and conduct that are not acceptable on a job. Job Corps must give them new habits. There are two effective means for accomplishing this goal: example and reinforcement. When a staff member sets a good example, he helps Corpsmembers learn to dress, look, and act in ways that will help them be successful on the job.

To set a good example of dress and behavior, Job Corps staff members must meet the same standards that industry requires for comparable situations and activities. Where center regulations do not explicitly define dress requirements, each staff member is expected to exercise good sense while keeping in mind that an example is being set for Corpsmembers. In no case is bizarre or slovenly dress to be justified on the basis of comfort or informality.

1. Clothes should always be neat and clean.
2. Women's hair styles should be conservative and their make-up moderate.
3. When a staff member wears a beard, he should do so with the knowledge that

his example may be followed by Corpsmembers and this imitation may reduce a Corpsmember's chance of employment.

Staff members must:

1. be particularly careful to come to work on time and to be punctual in meeting their daily schedules,
2. not use vulgar or obscene language,
3. know and comply with regulations on accountability and care of center property.

In addition to being learned by example, positive attitudes and appropriate behavior are also learned through reinforcement. Young people entering this program expect certain rules and regulations. More important, they are in need of structure and a sense of security which comes with the knowledge that the adult staff is able to maintain social control and discipline. Although Job Corps is a volunteer program, there are specific responsibilities and obligations which Corpsmembers must fulfill.

The staff must make clear to the Corpsmembers that certain behaviors are not only desirable, but are, in fact, required of all Job Corps men and women.

The Job Corps Behavior and Appearance Code, JCH 342.1, is precise in defining what we expect of youth in this program. It is the duty of each staff member to reinforce these behavior and dress requirements.

Corpsmembers are required to:

1. report on time for all assignments,
2. attend all educational classes unless there is a valid medical reason,
3. obtain permission to leave Center grounds,
4. maintain personal appearance and behavior on and off the center which reflects pride both in the individual and in being part of the Job Corps.

Staff-Corpsmember Relationships

Staff-Corpsmember relationships are fundamentally teacher-student relationships with the important added ingredient of personal concern.

Spontaneous, honest back-and-forth personal communication and relationships are essential.

However——

1. Staff members should not discuss inter-personal staff problems in the presence of Corpsmembers, nor may they date Corpsmembers.
2. Staff members should keep the respect of Corpsmembers by maintaining a serious workmanlike attitude and by avoiding becoming "One of the boys."
3. Corpsmembers should be encouraged to address staff members.
4. Visits of Corpsmembers to homes of staff members should be governed by center regulations.
5. Staff members should always address Corpsmembers with respect, and maintain the necessary personal touch by clearly showing interest and regard for Corpsmembers' problems and aspirations.

The fact that Job Corps is a full-time residential program and that many of these youth come from families which lacked wholesome adult supervision, means that the center staff has a total responsibility for the health, welfare, education and safety of the Corpsmembers. This responsibility includes supervision of the youngster both on and off the center.

Staff members can use both rewards and disciplinary measures to favorably influence the behavior of Corpsmembers. However, rewards should predominate.

Good performance can be reinforced by passes, promotions, living allowance increases, and by commendations—simply by telling Corpsmembers that they are doing well.

When it is necessary to change unsatisfactory behavior, staff members should use the disciplinary measures of restriction, suspension of privileges, demotion, reprimand, or fines, only after positive efforts to produce improved behavior have failed.

Community Relations

The success of a center and of Job Corps in general depends to a great extent upon community acceptance and understanding of the Job Corps program. Staff members are encouraged to help this acceptance and understanding. This can be done by participating in community activities in their non-duty times, by being careful about conduct and appearance in the community, and by telling community members about Job Corps' aims and accomplishments. This can also be done by taking personal responsibility for the conduct of Corpsmembers when they are in the community. When taking personal responsibility, staff members will be considered in the performance of their duty.

Mr. KELLY. The second Harris Survey was on the no-show. We found 30 percent of the kids who volunteered to go into the Job Corps, when the time came for them to get on a train or bus to go to the Job Corps Center they didn't show up and they got the titles of being no-shows.

We found that one of the reasons why there were no-shows was that some of them got jobs. We found some of them lost interest and, as I recall, this was one of the principal interests why they didn't show up to get their bus ticket.

We found out that they said they heard bad things about the Job Corps and that is the reason they didn't want to go. We did a number of things there. I mentioned the behavior code. We also shortened the time between screening and issuing of tickets. It had been, as I recall, about five and a half weeks, and we got it down to about two and a half weeks so we were not in the position of their being well motivated but our dragging our feet so long that they lost interest and wouldn't come.

That was the Harris survey No. 2. The Harris Nos. 3 and 4 were aimed at trying to find out from the youngsters and from some of their employers what they thought about the Job Corps and we found out that most of the youngsters, and I think Mr. Harris must have covered this this morning, most of the youngsters said they thought they were better off as a result of having been in the Job Corps, that many of them that had dropped out indicated a desire to return to the Job Corps. So in kind of summation, Mr. Chairman, we have not tried to suppress the Harris report. Let me say that the Harris report on balance, we paid for it, all of the Harris reports cost as a matter of fact about \$142,000. We paid for them. They were an attempt on the part of the Job Corps to find out something about it before it had developed and completely developed the data system.

We are going to use this kind of survey much less in this fiscal year and probably by late winter or early spring we will not be using the survey technique at all because we will have a data system that will be complete enough so that we don't have to take these samples.

Chairman PERKINS. Are you making plans to evaluate your progress with Job Corps enrollees?

Mr. SHRIVER. Yes, sir; we are.

Mr. GOTLEIB. As of March 1 of this year the Job Corps evaluation allows us to measure and show the individual progress of each corpsman on a monthly basis, his math gains, his reading, social development, attendance in classes, participation in extracurricular activities. In addition to that it allows us to follow these youngsters on 6-, 12-, 18-month bases once they leave the Job Corps.

Chairman PERKINS. Give us the progress from a monetary viewpoint. How much has the cost been brought down during the past year?

Mr. GOODELL. Would the gentleman yield first?

Chairman PERKINS. I yield.

Mr. GOODELL. I think the record should show that the charge of the Harris survey being suppressed did not derive, as far as I am aware, from this side of the committee. I think it was made vocal by Mr. Christopher Weeks, the former Job Corps Director who said it was being suppressed. I would only say for the record that many of us have at-

tempted to procure the Harris Surveys since the initial newspaper story broke—when did you say it was, March or February?

Mr. KELLY. I think it was February. That is my recollection. That is when the Harris Survey was provided to a couple of newsmen.

Mr. GOODELL. Since that time we have been requesting it so we could look it over, and we finally got it when Mr. Shriver appeared before this committee. None of the members of the committee, to my knowledge, had a copy of it before. That was the issue before the committee, not a charge of suppression.

Mr. KELLY. I don't think I said anything that indicated that you fellows on your side of the aisle had indicated it was suppressed.

Mr. GOODELL. The word suppress is a little bit strong. All I can say is it was not available to us for 3 or 4 months.

Mr. KELLY. I think the word comes out in Mr. Weeks' book, the record should be clear that Mr. Weeks has not worked for the Job Corps in about 21 months so he had been gone for a year at the time that the Harris Survey was delivered to the Job Corps.

Mr. GOODELL. I have no knowledge of why Mr. Weeks chose that word or the basis for his allegation.

Mr. KELLY. He never talked to me about it. He and I never had a discussion about it. Again he has not worked for the Job Corps for about 21 months.

Herbert Cramer, who just came up and whispered in my ear, pointed out there was a press release by OEO apparently in February at the time of the delivery of the first Harris Survey in which the survey was summarized so that I guess we also went to the street in terms of telling the newspapers with our own press release what the Harris Survey showed.

Chairman PERKINS. Get back to the cost figure now.

Mr. KELLY. If you look at page 40, if you still have your books, volume 1 of the Jobs Corps presentation you will see that based on the congressional definition that the cost on an average of those centers that were in operation more than 9 months from January to June 1966 was \$8,470; that July 1966 to May 1967 it went to \$6,950; and that we are talking about a financial plan that calls for \$6,700 per enrollee per man year in this current 1968 fiscal year.

In volume 2 is the complete detail. Let me turn at random here to the State of Indiana and we have a Job Corps center there, 106 youngsters in it and during the period from July 1, 1966 to May 1, 1967, the cost of running that center per man year was \$5,186. The total cost for that period was \$466,279, so we can give you those figures. Every Job Corps center—here is Atterbury. The cost of running Atterbury during that period was \$7,829. It was more expensive; the reason being we had a switch in contractors out there and we stopped input for a period of time until we got that place straightened out. It had not been very well run previous to the Westinghouse Corp. taking it over.

Chairman PERKINS. On an annual basis per enrollee, as I recall their statement it was \$9,000 per enrollee, and they anticipated in the next year or so they may get down to \$4,200 per enrollee.

Do you expect anything like that to take place in the future?

Mr. KELLY. I think they are mighty optimistic if they think they

can get down to \$4,900 without having an impact on the quality of the program. And again that was a center where we changed contractors. The previous contractor did not do a very good job there. During the period again July 1 to May 1, 1967, they were running at the rate of \$7,737 per man-year, but as I recall the contract that was renegotiated calls for operating costs around \$5,900 during 1968, so I think the \$5,900 figure is an accurate reflection of what they are planning and what we have agreed to do.

Chairman PERKINS. We have very few residential centers in this country. What is your knowledge of the residential center and what would it cost to get a residential center into operation?

Mr. KELLY. To get one into operation?

Chairman PERKINS. Yes.

Mr. KELLY. It is difficult for me to say, Mr. Chairman. When you start out from scratch of course, depending upon the size of the center, depending upon what you are going to teach in the center, depending upon its location, you either have to create it or you have to rehabilitate something else you are going to turn into that center. Depending upon the size, of course, will dictate and to a large extent what your facility creation costs and what your rehabilitation costs are.

I suppose we spend anywhere in terms of looking at conservation centers from \$250,000 in a 100-man conservation facility for the creation facility to \$3.5 million to \$4 million for creation of facilities and rehabilitation at a 3,000-man urban Job Corps center. We could give you some analysis of that, Mr. Chairman, but right off the top of my head I am afraid I am not being very helpful.

Mr. GOODELL. Would you either now or subsequently give us the figure of the total amount of costs that have gone into the capital investment in your Job Corps centers? This is total from the beginning to right now?

Mr. KELLY. Let me give it to you for the record. I think it is \$140 million for total capital costs. It is \$140,912,310 and that is broken down as follows: Men's urban construction and obligation \$27,863,000; accountable equipment ran to \$13,347,000, for a total of \$41,210,000.

Women's urban construction and rehabilitation, we spent \$8,791,000. On accountable equipment \$4,623,000, for a total of \$13,314,000.

On State conservation centers, the State-related centers, we have spent on construction and rehabilitation \$1,628,968. On accountable equipment, \$547,465, for a total of \$2,176,333.

On the Federal conservation centers, \$66,071,803 for construction and rehabilitation, \$18,041,174 for accountable equipment for a total of \$84,111,977.

So that the total on construction and rehabilitation is \$104,354,771, equipment \$36,557,539, for a grand total of \$140,912,310.

That was through April 1, 1967.

Mr. SHRIVER. Could I make an additional comment on that? You will notice that the amount of money spent for the conservation is much larger than for the men's centers or the women's centers and that the accountable equipment for them is much larger. That is because actually they use a lot of equipment in the work of doing conservation. That point has been brought out here occasionally. But against this \$84 million—in other words, \$84 million out of \$140 million was

for the conservation centers. Against that we are never permitted to set off the amount of value that those conservation centers add to the Federal properties or the State properties of the United States. That actual value, according to the Department of Agriculture and the Department of the Interior, is \$2 million. Although we have a high cost for getting those centers into operation, \$84 million, more than half of the total, they are returning all the time a substantial return on the investment in these first two and a half years. According to these other departments it is \$26 million.

Mr. KELLY. This may have been put in the record during our last meeting here. It is on page 71. There are such things as picnic tables, fireplaces, trees and shrubs planted—13,881 acres. So they have done a great deal and I am told the \$26 million, by Agriculture and Interior as of 30th of June, it jumped to about \$30 million that they have added.

Mr. QUIE. On the figures that Graflex gave to us on July 20, 1967, they use for 1967 \$6,950 per enrollee and for 1967-1968 \$6,700, and for a 9-month average length of stay \$5,025.

Mr. KELLY. I am familiar with the figures they reported and audited. That is for fiscal year 1967 through the first of May, their own center costs were running \$6,250 but we have to add to that the enrollee's pay and allowances and we have to add to that an enrollee travel also, which amounts to about \$1,450, so that you have to add to the \$6,250 the other costs of maintaining that enrollee. That does not go through their books, Congressman Quie, so that brings it up to \$5,737.

Mr. SHRIVER. In that statement, Congressman Quie, were they leaving the impression that those were their actual costs there or was that a target or what was it?

Mr. QUIE. That is the figure they gave us, cost per corpsman per year.

Mr. KELLY. That is probably the cost on their center—

Mr. SHRIVER. His point is it is exactly the same as the overall costs and therefore the conclusion would be possible that either two things, either they were quoting the overall costs as if those were their costs.

Mr. QUIE. That is what it seems to me. He adds that this includes approximately \$1,500 per year paid directly to the corpsman by OEO but it comes out to the average cost you used for your overall.

Mr. KELLY. They may be projecting their costs into this fiscal year. We have negotiated contracts at the rate of between \$6,500 and \$6,900 operating costs for this next year. That was one of the techniques we used to get ourselves in the position of coming down. That is what they may have been projecting. I have not seen their figures. I will examine them and provide any additional record for this record. Is that all right?

Mr. QUIE. Yes, sir.

Mrs. GREEN. I think the record would show Graflex said these were projected costs and they were basing these costs on figures put out by the Office of Economic Opportunity. I would ask are those figures projected costs?

Mr. KELLY. The figures I was quoting on the Graflex Center—

Mrs. GREEN. I mean the \$6,950.

Mr. KELLY. We think we are going to better that. We are saying

\$6,750 we think but \$6,950 is the experience to the first of May, and it was the experience now through the 30th of June.

Mrs. GREEN. One other question on the Job Corps and then I would like to go on to other things.

On the Harris report, just a point of procedure, I guess. If I understood you correctly, you said after the Harris reports were issued that you called in one reporter to make them available. Is this the evidence to show that you were not suppressing them? I do think it was difficult to get them because I had difficulties.

Mr. KELLY. I didn't call the reporter in myself. Our Office of Public Affairs in the OEO had gotten a number of queries from various reporters about the fact that there was in existence a Harris survey. They called in at least one reporter and maybe two, and I know everyone, and said yes, there is a Harris survey and here is a copy of it. In addition to that, they put out a press release which provided to the press some information, not entirely, but some information on what was contained, the salient points that were contained within that Harris survey. That was done in February which was just about the time that the Harris survey was delivered.

As a matter of fact, I think that one reporter had the Harris survey before—had completed reading it because I was reading it at night at home. I must admit there were some people who asked for the Harris survey and some members of this committee asked for it and we did not provide it and I am sorry. The reason is we had a limited number of copies. It was almost a Book-of-the-Month Club selection in February and March and I did say to some people if you want to see it please come down here and read it. That was a mistake. For that I apologize because you people should have had the first right to have seen that survey.

Mrs. GREEN. I appreciate that. It seems if you can produce enough of the 2-inch thick volumes and everyone has it, it is not quite a valid argument to say you could make them available to each member of the committee.

Mr. QUIE. Mr. Christopher Weeks says on page 238 of his book "The Job Corps attempted unsuccessfully to suppress the results of the Harris survey." It showed that more than half of the dropouts—

Mrs. GREEN. I would say at the same time while the report is made available, I would hope it could be made available to the members of the press in my State of Oregon as well as to a chosen one or two. It would help the people of Oregon understand the problems a little better.

Mr. KELLY. Let me say, Mrs. Green, and other members of the committee, anything you want out of the Job Corps please call me and I will see that you get it.

Mr. QUIE. That is the new Job Corps.

Mrs. GREEN. The Job Corps does have a different face since Mr. Kelly has come in.

On the general statement of Mr. Shriver, I think a very eloquent statement and so much of what you have said I agree with 100 percent. I would certainly agree that we need to spend more on education and we need to spend more on housing and on the war on poverty if we mean business. I don't know why the American people did not heed

the words of Conant long before this in terms of social dynamite that was ready to explode in our American cities.

I think it is tragic that this Congress voted down the bill for rat extermination. I could talk at some length on that and I don't agree with the priorities which we set as a Congress or as a Nation, the administration, I would place the NASA space programs, the supersonic airliner, as a much lower priority than priorities on education and poverty programs. There would be some specific points on that on which I would differ with you.

On page 7 you have made a couple of statements that I think might be based although not necessarily—there have been various reports in the press about cynical attempts to create doubt and fear in the role on poverty and the aftermath of violence and disorder.

There was an executive session of this committee a week ago and I think one reporter perhaps was called in on that unfortunately, by either another member of the committee, or a staff person and the impression was given and I think very erroneously that members of the committee might be interested in exploiting the situation. So lest you view any doubts about the intent of this committee at that time in the executive session last Tuesday, if the gentleman from Ohio is here, and I hope he will not object to my reading some of the minutes of the executive session and since it was executive the reporter who wrote the article had no way of knowing firsthand what went on in this session and I have asked the chairman for permission to read these paragraphs.

Mr. PUCINSKI. Point of order, Mr. Chairman. I have no objection to this procedure, but we do have committee rules and regulations about what transpires in executive session. If the committee wants to change those rules it is all right with me.

Mr. AYRES. Would the gentleman yield?

Mrs. GREEN. I did go to the chairman and ask for permission since an erroneous report was issued. I asked permission to read a couple of comments.

I yield to the gentleman from Ohio.

Mr. AYRES. I think the gentlewoman from Oregon is very much in order because someone on this committee broke the rule.

Chairman PERKINS. I have already ruled that she can read the article.

Mr. AYRES. Let's let the gentleman from Illinois withdraw his statement then.

Mr. PUCINSKI. There are committee rules—

Mrs. GREEN. If I have the floor—

Mr. PUCINSKI. I would not withdraw that statement. I will abide by committee rules and the gentleman knows what committee rules are in executive session.

Mr. AYRES. The gentleman knows someone on this committee, and it was not the chairman, broke the rules so we have to clarify the rules that somebody broke. I agree with Mr. Kelly if we are going to have a press conference, let's have a press conference and give it to everyone.

Mrs. GREEN. It would be difficult for any columnist not in attendance to know what happens.

(Mr. Ayres moved that the committee instruct the staff through the chairman to make an immediate investigation of the involvement of poverty workers in Newark and that Mayor Addonizio be invited to testify before an executive session of the full committee at an early date. Mrs. Green suggested that Mr. Ayres might want to include an invitation to Mr. Timothy Still, president, United Community Corp. in Newark in his motion since Mr. Still could balance the testimony by presenting the other side.)

Mrs. GREEN. The two points I would like to make are, one, that it was to be in executive session because I don't think anyone on the committee wanted any Roman holiday or any open hearing where the flames might be fanned, and, secondly, I think the committee was interested in having a very balanced presentation and not to take advantage of an explosive situation.

Mr. SHRIVER, in your statement, you certainly have given facts and figures in terms of the number of arrested. I think there is still concern on the part of some of the committees. I have the concern since I talked to people in Portland and there were very minor riots, disturbances there last night, minor at least compared to other places, concerned not over the number of poverty workers that might have been arrested.

It seems to me this evades the charges that have been made or an answer to the charges because the charges have been in terms of involvement. Do you think it would be wise before we go to the floor with this and those of us, and I am one of those, who do not want to see the poverty program eliminated, though I would make some changes, to really have a study of the involvement so that we could also present the facts as they are either by this committee or by your office. And is your office making a study of the involvement of the poverty workers, as Mayor Addonizio and others have charged, in addition to just arrest which you cite?

Mr. SHRIVER. First of all, let me say we have made such a study and we continue to make them at all times, frankly, long before this and any time anyone is charged—and it turned out to be true in a couple of cases—but very seldom something improper was being done by an official or a person connected in some way to an antipoverty program. Wherever we have had a case of that sort brought to our attention since we started we inspected it and we have acted in all of the cases where we have any power to act—where we had power to act and where the evidence showed that we should act.

Involvement is sort of a broad, abstract word in any situation and it is difficult to pin it down in some places. But let me give you an illustration which I think is on the point you are talking about.

Up in Rochester earlier this past week the city manager of Rochester issued a statement that some officials connected with an antipoverty agency had said things which he felt were unwise, and which he thought should not have been said which he thought created tension. This was interpreted by some people as meaning that they were inciting a riot. In fact, the headline in one newspaper said these statements were inflammatory. We looked into that case. Obviously we are very much interested in it. What actually happened there is as follows:

It turns out that a Negro was hurt or wounded in a fight with a policeman. The Negro community there got very much aroused about it. The director of the community action up there, a man by the name of

Greenberg, seeing that pressure was building up, the next day called a meeting of the Community Action Agency Board of Directors. To that meeting were not only invited the Community Action Board of Directors but the deputy city manager, since the city manager was out of town, and the chief of police and possibly some others. In that meeting some points were resolved. There were about four which were to be transmitted to the city manager.

One was, for example, that the policeman who shot the man be tried for having shot him, et cetera. The contention was, and still was, and was carried out that these four resolutions would be taken to the city manager when he got back. That actually was done.

At this meeting a couple of people got up and said things—I don't know what they actually said—this is an outrageous situation, or something like that. These were people in the meeting. The city manager apparently thought that the mere fact that some people in this meeting got up and let off some steam might say was inflammatory. The people in the Community Action Agency felt and I think most people in Rochester felt, that in fact that it was a very fortunate thing, a forum, if you will, where this kind of statement could be made rather than being suppressed—not suppressed in that sense—but no place to make it and worse things happen.

The actual letter was taken to the city manager, he received it, some things were being done about it, and the city manager subsequently pointed out that his complaint was only with respect to an individual who was not even a poverty worker.

Now if you are talking about people like that who are involved, somebody on the board of directors or somebody on a neighborhood council who is involved, and if you feel that there should be some sort of a statement in the legislation to calm them down, if you will, I would be perfectly happy to see something in there along that line if it could be written without infringing on someone's freedom of speech.

Mrs. GREEN. I have been interested in your detailed record of arrests but I wondered if you were making a detailed study not an off-the-cuff remark made by someone, but did you make a study ahead of time of the involvement of poverty workers in action that would fan the flames that would increase the tension and would invite people to riot? Are you making this kind of study?

Mr. SHRIVER. Yes.

Mrs. GREEN. Are you doing it in Newark and Detroit as well as the study you have made on the actual arrests?

Mr. SHRIVER. Yes.

We are doing it with respect to Newark. I don't think we are doing it with Detroit where anyone has suggested that anyone has done such a thing, but we are doing it in Newark and we do it wherever anybody suggests that somebody did do something, an overt act that contributed.

Chairman PERKINS. Mr. Ayres, I recognize you for 5 minutes.

Mr. GOODELL. Mr. Shriver, just pursuing this point for continuity in the record, I agree with your statement that it is very complicated and difficult to tell all about involvement and inciting a riot. An individual may be working to stem a riot who is involved with a

crowd and yet give the appearance of contributing to the riot. I think my concern in this connection, to follow Mrs. Green's comments, is that we had an allegation, I think a telegram sent to you and a copy to us, from the chief of police in Newark.

You, within a short period of time, as I recall reading in the paper, issued a denial that this was true.

Mr. SHRIVER. That is correct.

Mr. GOODELL. It was my understanding that no investigator of OEO contacted the mayor or the police chief on the basis of their information. The denial was issued from Washington, sort of clipped off fast: "No, it is not true." I presume you contacted some of the poverty people in Newark but until last week there had been no investigators from OEO in Newark looking into the charges made by the mayor and the chief of police.

This raises the whole question of credibility gap in here. You deny it first and investigate afterward. I have no idea if the charges are true or not but this committee would like to rely on your denials when you make them, and know that you have made an investigation.

Mr. SHRIVER. I could not agree with you more but if the facts were as you described them—

Mr. GOODELL. I would like to know what the facts are. As I understood it, the mayor and police chief had not been contacted until last week by any OEO investigators concerning these charges. Your denial certainly preceded that.

Mr. SHRIVER. There were investigators up there when this telegram was sent back in May, I think it was. We investigated it then. We could find nothing to substantiate the charges which were in the telegram.

At that time we asked whether there was any additional information not in the telegram which would help us substantiate either those charges or lead us to other situations that needed action. We didn't get any such suggestions. I found out also that the same telegram that was sent to us was sent to the State of New Jersey to the Governor's office—in the State of New Jersey—that the Governor of New Jersey caused an investigation to be made at the same time, that is, back in May. The investigation was made by the New Jersey State authorities independent of any investigation we made. In fact, I didn't know they were making one until later. The results of the State investigation substantiated the results of our own investigation; namely, that there seemed to be no proof, no indication that the alleged use of a sound truck which is what was involved in that particular case, had anything to do with a riot in Newark.

Subsequently, after the State investigation and our investigation, we have once again sent investigators into the city. I announced last Friday, I guess it was, that in response to the request of Timothy Still, of the community action director, who said they had wanted an investigation made to clear the matter, which was the phrase he had, in response to his request and the request of Congressman Rodino and Minish, and the mayor, we established a community action evaluation team, which we do regularly all over the country; and that team of community action people both from within our own Office and outside our own Office will review the whole situation in Newark all over

again. So in response to your question we did investigate it back in May. The State of New Jersey investigated back in May. We have the results of their investigation, our own investigation, and we didn't have any proof of these things and we are now reinvestigating it.

Mr. GOODELL. I appreciate the fact that you may have investigated a telegram received in May. But I was not referring to any allegations made in May. I was referring to the allegations made by the mayor and chief of police after rioting in Newark broke out and your denial was published subsequent to that, a denial that the poverty workers were involved in rioting.

Mr. SHRIVER. The first allegation we got of public notice was a telegram in May.

Mr. GOODELL. I don't know about that. It seems there were public allegations made after the rioting broke out in Newark and your denial came subsequent to them.

Mr. SHRIVER. What was said was that back in May we had been warned in advance that activities by some people connected to the antipoverty program in Newark were responsible for germinating the riot. That is what was said after the riots started. It was said that we should have known better because we had a month's notice, say 2 months' notice.

Mr. GOODELL. Mayor Addonizio's charges in the telegram were certainly broader than those made during or after the riots and the request for an OEO investigation.

Mr. BRADEMAS. Mr. Chairman, could we have some regular order? If we have a time rule we ought to be fair to all members of the subcommittee.

Mr. GOODELL. I am sure Mr. Ayres has not consumed his full 10 minutes. He yielded to me and I want to get it clarified for Mr. Shriver's benefit.

Mr. BRADEMAS. I though the chairman said 5 minutes being allotted to each member of the committee.

Mr. GOODELL. The chairman communicated to us that we would have the 10-minute rule.

Mr. BRADEMAS. The chairman did not communicate that to us.

Chairman PERKINS. I tried to communicate through Congressman Quie that it would be 5 minutes later but that no one would be cut off afterward. Apparently the communication did not get down here.

I recognize the gentleman from Illinois.

Mr. PUCINSKI. I am glad you made the statement you did. At the height of the riot in Newark the story appeared that this police chief made some complaints to you in May. I am not aware of any report coming out of Newark that there were any OEO employees involved in the actual rioting at the time of the rioting in Newark. The report was about a letter that had been sent to you in May, is that correct?

Mr. SHRIVER. That is what I was trying to say a minute ago.

Mr. PUCINSKI. I am glad you clarified the record. I would like to congratulate you for your excellent statement. I would like to congratulate you for your making it clear that as the Director of the OEO for the United States for programs in 1,005 communities, that you certainly condemn and denounce in the strongest terms, the rioters and looters.

I think that you reflect the spirit of this committee, Congress, the Government, the President in denouncing the rioters and looters in the strongest terms, but you have given us a program which can get to the root causes which make some people the easy targets for the agitators such as Stokeley Carmichael.

Now that the President has appointed a commission to study the causes and make some recommendations, I think that this committee representing the legislative branch of government has an excellent opportunity to make some real contributions. You have cited an impressive list of people who are close to the problem who want to stay with this program.

If we were to accept the suggestion made by the gentleman from Minnesota and New York for the substitute opportunity crusade, how long might you think it would take to implement a whole new series of guidelines and instructions and directives and how long would there be a vacuum before the program, assuming it was a successful program, could reach the point of success that you are now reaching after 2½ years of perfecting the present law? We all know that there were shortcomings in the program when we first passed this in 1964 and it took us a long time to perfect the guidelines and perfect procedures.

Many mistakes were made along the way. You have acknowledged those mistakes before the committee. But it seems to me if the testimony of these mayors and all of these other people is correct, you are operating rather efficiently at this time.

Would you have to rewrite all of your guidelines or at least a substantial amount of them—would the agency that would inherit your responsibilities under the opportunity crusade have to start all over again and create a long delay in getting this very needed help down to these communities?

Mr. SHRIVER. I am sorry, I don't really know. I think that the changes that have been suggested are ministerial changes. I think I am doing justice here—I don't want to do any injustice—when it has been said, as it has been back and forth here several times, wouldn't the opportunity crusade change that? Congressman Goodell has been very articulate in saying we are not going to change the Job Corps, we are just going to have it put into a different department and they will evaluate it and modify it over a period of time as they see fit but, that in fact, we are not going to close down any Job Corps centers, we are going to continue to operate, we are just going to improve it as we go along, so, theoretically, on that theory, a piece of paper would just go to a different guy.

Mr. PUCINSKI. You have no assurance and we have no assurance—as a matter of fact, the contrary would be true. I would think when a different agency took over a program they would want to hand down their own guidelines and procedures and their own rules and regulations, and what I worry about is at this particular time when this help is so urgently needed in these communities I am afraid of a gap, of a vacuum that may create more chaos and turmoil than we are seeing already.

For that reason I would hope my colleagues would not press their insistence on rewriting this. I would hope they would join us and work together not as Democrats and Republicans but as Members of Congress who see a serious problem in America.

If there are minor shortcomings let's correct them. Basically I think the program is working well. Would it not create a long vacuum in the shiftover, in the retooling of the whole program?

Mr. SHRIVER. My point has been from the beginning, and it is more emphasized now than at the beginning, that the situation is a crisis situation and it is not timely, I don't think short of some showing of fantastic competence or that the programs have not been working, which has not been shown, I don't think it is timely to make a change at this stage of the game.

How long it would take bureaucracy to fool around that—you would know more about that than I do. I just work in our place.

Mr. QUIE. I yield briefly to my colleague from New York.

Mr. GOODELL. I won't belabor this. What we are proposing is quite drastically different from what the Job Corps is. We recognize \$140 million has gone to the Job Corps. Basically what we are saying is that we would work toward this different kind of residential facility over a transition period during which you would retain the present Job Corps. You just wouldn't stop everything and abandon it. You would provide for an orderly, smooth transition.

Mr. SHRIVER. Maybe it is just me they want to get rid of. As one of my colleagues said, if that is the easier way, that might be the easiest thing to do.

Mr. AYRES. Mr. Shriver, this denial that Newark had poverty workers involved—and having talked with Mayor Addonizio myself I know that he is anxious to come before the committee. I think he should have the opportunity to respond to these charges in executive session. But I am quite certain that the mayor, of course, as was reported unfactually in the paper, wants to tell us a few things, and not just the charge he made that poverty workers were involved.

I think in view of the fact that we have spent billions of dollars trying to eliminate the pockets of poverty and in many areas where the most money has been sent the riots are the biggest. We should listen to the chief officers of the police department, because every one of these riots has started from an arrest. We should also hear from the mayors of these cities.

To me this is the most serious problem that this country has faced up to on a domestic basis in 100 years.

Mr. Chairman, I am just advising now that tomorrow morning before we go into session I will renew my request, at the request of the mayor of Newark that he be heard by this committee in executive session, not only on this matter but on any other things that he might want to tell us.

Chairman PERKINS. Let me make the observation that I have a telegram from the mayor of Newark practically identical to the telegram sent Sargent Shriver and he has never made a request to appear before this committee to my personal knowledge, not to the committee, not to the majority, and it is a peculiar thing that he would make the request to you, being a Democrat, and not to the committee.

Mr. AYRES. He probably felt closer to me, Mr. Chairman.

Chairman PERKINS. The telegram puts him wholeheartedly in favor of the program all the way. I will read the telegram if there is any question about it.

Mr. AYRES. The point is, he has some things to tell us in executive session and he has told me personally on the phone in a conversation that he would like to come down and have the opportunity to testify. I think that as a mayor and former colleague he is certainly entitled to that privilege.

Mr. SHRIVER. May I make one comment, please?

Chairman PERKINS. Go ahead, please.

Mr. SHRIVER. If any Member of the Congress or mayor or private citizen has information about individual people that they can substantiate that such and such a person did something wrong, we want that information and wherever that kind of information has been given to us we have acted I think pretty fast.

I am not saying we are perfect because we are not, and we certainly cannot police all of these things perfectly all over the country all the time but when facts come to us about an individual we have an interest that is equal to yours, I think, maybe it is even more of an interest on our part to get rid of any foul ball, odd ball, or any kind of balls that are in the program.

Mr. DANIELS. Two of our colleagues now serving 2 years in the House, Congressman Rodino and Congressman Joseph Minish, come from congressional districts representing parts of the city of Newark. Is it not true, Sargent Shriver, last Friday morning pursuant to the request of Mayor Addonizio at least one of those Congressmen conferred with you pursuant to the Newark situation?

Mr. SHRIVER. That is right.

Mr. DANIELS. Was any representation made to you at that time that the poverty workers in the city of Newark invited or were directly involved in the riot that took place?

Mr. SHRIVER. No, the only thing that has been said to me is similar to what I tried to describe to Mrs. Green a few minutes ago. In a particular meeting somebody might have said something which somebody else was thought too hysterical or too inflammatory and maybe with the mayor there he might have felt there was some mechanism for separating out, so OEO was not responsible for what some member of a neighborhood of directors, a nonpaid person who wasn't in any way connected with the program, except that he was on a neighborhood board that that fellow says something today the mayor thinks, we get blamed for it.

He felt there should be some way to separate out employees from these kinds of peripheral people, neighborhood advisors and so on, who sometimes say things that he thinks are not justified.

There are other people who say just the opposite of what this person did was beneficial rather than harmful.

Mr. DANIELS. To your knowledge was any statement made by Mayor Addonizio, any member of the official family of the city of Newark, critical of the antipoverty program and recommending its dissolution?

Mr. SHRIVER. No, there was none. Not only did both of those Congressmen speak to me but I have spoken two or three times to the mayor and it was in response to their request and Timothy Stills' request, head of the community action agency up there, that we inaugurated this extra community action inspection which I announced last Friday. We did that because they asked us to do it. We did it last Friday and

that will go forward immediately and in the announcement we said we hope to have a report from this investigation within 30 days.

Mr. DANIELS. On the contrary, is it not true Mayor Addonizio in his praise for the work that has been done and is being done presently in the city of Newark on the community action program?

Mr. SHRIVER. The mayor is 100 percent for the program individually and collectively. He does say something like the man in Rochester says, that he thinks that some individual people, three or four people may have said something which he thinks they should not have said but in no case, at least has he shown to us, does he claim what they said actually caused a riot.

For example, I will tell you about this use—well, maybe you don't want to hear about it.

Mr. DANIELS. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Our colleagues on the other side of the aisle have been making a great deal of noise the last couple of years about getting maximum involvement of the people in the community on these action boards. They want them elected and they want various other things. Should it then come as a great surprise to them that somewhere along the line in that you are going to get some people over whom you have no authority. They are not paid employees. They are not paid employees of the OEO but members of a board. If they do these irresponsible things I think they should be condemned.

I think they should be censured in the strongest terms but I don't know that we should be blaming you for something somebody in Newark said over which you have no control.

Mr. SHRIVER. That was the mayor's point.

Mr. QUIE. If Mayor Addonizio is such a great friend of the program, then why is it so dangerous to bring him down before this committee to ask him some questions to find out about the suggestion? I don't understand the furors of the Democrats. If you brought him down here all of a sudden it would damage the entire program and probably the end of the show of the war on poverty. I don't understand that.

Mr. DANIELS. I might say to the gentleman that this committee does have two investigators who were sent up to Newark to interview the mayor, Mr. Stills and all other parties that may shed some light on the situation. I think it would be appropriate for this committee to await the report of these investigators and then if the committee feels it is necessary to proceed further, then we can take the appropriate action.

Mr. QUIE. That is a different approach than the constant fear that you hear about if Mayor Addonizio ever arrived.

Mr. DANIELS. I think it is mostly in your own minds.

Chairman PERKINS. The time of the gentleman has expired.

Mr. Goodell, let me answer my colleague—

Mr. GOODELL. Am I going to get 5 minutes also?

Chairman PERKINS. Any witness you bring in here will be heard.

Mr. GOODELL. Well, I think maybe, as so often happens on the 5-minute rule, we get ourselves on some issue that, although important in itself, is not basic to your presentation of the poverty program.

We are all very concerned about the riots in this country, and I am

one of those who does not endorse the simplistic explanation of the riots. I recognize that in many areas, poverty workers, along with all other citizens of the area interested in preserving peace have worked very hard in stifling the riots.

There are questions at times about people involved in the poverty program, not inciting people to riot, but rubbing raw situations in the community over a long period of time.

I know the allegation has been made that this has been going on for 2 months, 7 days a week, with poverty workers involved in this, so although poverty workers might not be exciting people directly to riot, if they are rubbing all the nerves raw, and creating circumstances for riots to break out, we would be concerned about it.

I think we should be given the facts on it. Many a child has lit a match and seen a holocaust go up and stood back and gasped at what happened. He didn't intend for it to happen.

There is another aspect of this which concerns me. You talked about social dynamite, which I agree it is, and you talk about discontent, which I agree exists. The discontent is many sided.

I am, for instance, very much aware of the discontent with an inadequate program, and discontent over big money going to social planners and the people not seeing it themselves—discontent, big sales jobs, with few results.

All of these things are not particularly calculated to preserve the peace in a community. There is a coincidence, and I don't believe there is a casual relation obviously, but we have had riots breaking out in this country in the last 3 years. It happens to be coincidental with the war on poverty, and in this period, as the President said the other night, we have put more money into social action programs and into our urban areas than in any other 3-year period in our history.

These things concern us. I am one of those who refuses to say we should stop doing anything. Obviously these are symbols of failure, but I don't think it is adequate to say we should pour more money into the same old ways of solving things.

Money is not going to solve it without new directions.

Let me ask you this. We have had a great deal of discussion about rat eradication. Under the Public Health Service, the Public Health Act of 1966, there was \$62.5 million, which was a program for which applications would be received for rat eradication. This point was brought out by Congressman Henry Reuss, when he opposed the rat eradication bill on the floor of the House a few weeks ago.

He said, "Why do we need another grant-in-aid program?"

Do we really solve more by having two or three Federal agencies fund these things than we would if we put enough money into a single program in the Federal Government?

I ask you this question, is it not true that rat eradication is one of the programs eligible for community action funds?

Mr. SHRIVER. The only rat eradication program in America is in Chicago—excuse me a second. We put about \$2.5 million into it. We did not use community action unearmarked funds. We used the 207 money, demonstration money, because it was the only money we could utilize, the only money we could get our hands on.

It is true if a city wanted not to have the head start program or

the legal services program, I suppose they could say that those programs are less important than a rat eradication program.

Mr. GOODELL. My concern is this. You believe in unearmarked funds, and I do, too. I think the local community should set its priorities. Any community today may set up priorities as they wish for rat eradication, and make application under the community action program, or the demonstration program, and get money 100 percent funded from the Federal Government, 90:10—

Mr. SHRIVER. It's 80:20.

Mr. GOODELL. It may be 80:20 in Chicago now. I won't quibble over that. They are available, are they not?

Mr. SHRIVER. The answer is yes, but there are so many competing requests for that community action money.

Mr. GOODELL. Now, you see, you bother me.

Mr. SHRIVER. I'm not bothering you at all, I hope. Many communities of the United States would like to have money under a different law. It is not under our law, that bill.

Mr. GOODELL. I know that.

Mr. SHRIVER. OK; so it is not in competition. They would not then be in competition with their community action money.

Mr. GOODELL. Why should we set up a separate administrative structure and cost? Why shouldn't we have the administration of the community action program now, and this is what bothers me, is that you seem to be advocating earmarking of money.

If we can do it, earmark \$50 million out of community action program—

Mr. SHRIVER. That is exactly what I was not saying.

Mrs. GREEN. I would ask the gentleman's consent that I be given another minute for the purpose of a correction. If I recall correctly, Henry Reuss preferred that this be under the—he voted for the bill.

Mr. GOODELL. He voted for the rule, but—

Mrs. GREEN. It was my understanding that he made his position clear that he would have preferred it under that, but he certainly was supporting that bill that day.

Mr. GOODELL. You may be right, and he didn't get a chance to debate it, because we voted down the rule.

Chairman PERKINS. The time of the gentleman has expired.

Mr. SHRIVER. I would just like to say—and excuse me if I may be imposing, Mr. Chairman—that there were 37 riots on demonstrations in the United States before—

Mr. GOODELL. How far back are you going, the Revolution and the Boston Tea Party?

Mr. SHRIVER. 1961, 1962, 1963, and 1964. There was an earlier remark that there seemed to be something incidental between riots and OEO.

Mr. GOODELL. There is—

Mr. BRADEMAs. Mr. Chairman, I would ask unanimous consent that the Uniform Time Act of 1966 be made applicable to this committee.

Mr. GOODELL. Would the gentleman yield?

Mr. BRADEMAs. I would ask unanimous consent that I may have such as my colleague from New York had.

Chairman PERKINS. Go ahead, take 7 minutes. [Laughter.]

Mr. BRADEMAS. Mr. Chairman, I must say, as I sat here listening to some of the questioning here this afternoon, and I addressed my remarks to Mr. Shriver in the form of a rhetorical question, perhaps, would he not agree that it is rather strange that we should have preoccupied ourselves with the questioning this last couple of hours, I guess. I find very little that has been said that is significant in terms of the fact that this country faces a major domestic crisis in the great urban areas of our country, and one would have thought we were meeting in some vacuum or on some other planet.

I recall taking a look, and playing once more a record I had made after Carl Sandburg's extraordinary address to a joint session of Congress in 1959 on Abraham Lincoln's 150th birthday anniversary and he quoted, "I shall do nothing through malice. What I deal with is too vast for malice."

I miss any sense of passion or vastness about the problem that faces this country, and I do wish that we would perhaps give ourselves a little more to the problem, and if I speak critically of our committee, I speak critically of myself, I may say; so I am not addressing myself to any particular colleague on this committee.

I do wish we would give ourselves perhaps in some measure the problem of how we can strengthen and make more effective these programs you administer, which are aimed at the basis of the riots, rather than with who sent what telegram to whom and what day.

I wonder, Mr. Shriver, if you could comment on this overall question of the impact of the overall poverty program on the riots and the disturbances that we have seen in some of our cities, both large and small.

I am talking about, at the moment, money. I certainly agree with what my colleague and friend from New York, Mr. Goodell, said, that money alone won't solve the problem, but that is kind of a straw argument, because I don't think anybody argues it will.

But in terms of getting at the terribly difficult problems we face in our urban areas, the kind of budget request that has been suggested by the President for your agency, can you give us any comment what you think we ought to be spending through OEO to make the kind of impact that rationally, prudently, we ought to be—I should not say be spending, but investing—in the poverty program?

Mr. SHRIVER. First of all, Congressman Brademas, let me say that I subscribe completely to what you just said, namely, that the urgency of the matter is tremendous, and that every mayor in America that I know of wants action out of all of us, the bureaucracy and the Congress, as fast as possible.

So far as I know, secondly, there aren't any mayors that I know of, and very few Governors frankly that I know of, who don't support the OEO programs as they are.

Now, I would be the first to agree, and some of them, I assume, would agree that all these programs can be improved. You have seen what happened to the Job Corps in 1 year. It is vastly improved. So we are going to try to improve everything we are doing all of the time, but the defects such as they are in our program as they now exist seem to me to be very small in terms of money. I would say that the poor of