

3696 ECONOMIC OPPORTUNITY ACT AMENDMENTS OF 1967

a profound threat to the support and continuance of the private agencies in the country, and adds a new force to the framework for social and economic opportunity centered in Washington.

POLICY ISSUES IN ECONOMIC OPPORTUNITY PROGRAMING

The traditional public welfare activities have been overlaid with the economic opportunity programs so that the operations framework has been stretched and extended. There are so many new features and relationships that organizational pattern as such is hard to discern. The neat vertical pattern of a three-level government distribution of effort and expenditure remains only in the older programs. The newer ones defy both the existing order and the organization chart. The thrust was innovation; the aim, to reach more people with more services, and to involve more segments of society in active war against poverty. The objective was to improve the conditions under which the poor live, learn, and obtain income. However, one of the results has been a framework which in itself is an impediment to effective management of the total welfare problem. Complex and confusing interrelationships exist, first among the several levels of government and second in the multiplicity of programs designed to deal with one or another aspect of poverty.

Programs of the Office of Economic Opportunity programs have been criticized for hazy goals, over-planning, duplicative efforts; no program coordination within the national government and little at parallel functional levels in the communities; by-passing the states; poor communications in general, either up and down or back and forth; and even for outright mismanagement and partisan political workings. Some of this criticism is overdrawn and some justified. But there is no doubt that controversy, confusion and mistakes have been involved in the three year war on poverty. There have also been some gains.

The intent of the Economic Opportunity Amendment of 1967 (H.R. 8311) is naturally to capitalize on those gains and to make changes and clarifications which would correct weaknesses.

One of the constructive changes is the new Title VII, rewritten to prevent *full* deduction of earnings under economic opportunity programs from public assistance payments to families. The aim is to give welfare recipients incentive to participate in these programs so that ultimately they may become self-supporting. As a step to encourage self-support and to facilitate evaluation of such incentives, the formula may be considered experimental, but the aim is sound and supports a position which NAM has taken:

Public assistance programs should encourage recipients who are willing and able to earn some of their income to do so. Programs which subtract the total of such income from assistance payments for which the individuals are otherwise eligible, do not accomplish this objective.

Another change that would seem to involve both procedural and policy improvement is the replacement of the "preference" provision of existing Sec. 612 by new Sec. 634 and other aspects of new part B of Title VI. There is commendable emphasis here: on "closely coordinated operation at the State or local level" (although "and" rather than "or" would be preferable); on "effective coordination of all programs and activities within the executive branch"; and on improving "the common effectiveness of programs." The specific strengthening of responsibility and staff of the Economic Opportunity Council may be helpful, although it could also only bring in *another* directive unit at the national level where the reach is already detrimentally wide.

There are, in fact, more reasons for transfers and consolidations within the federal structure for OEO programs than for extensions to it. For example, there are sustainable reasons for considering the transfer of full authority for the Job Corps, the in-school Neighborhood Youth Corps and Head Start to HEW's Office of Education where programs of related purpose have been operating—in the case of vocational education for fifty years. Similarly, there is a pertinent basis for full transfer of the out-of-school Neighborhood Youth Corps to the Department of Labor which is heavily involved in manpower programs, and whose apprentice training experience goes back to 1913. It is possible that the innovative structure of OEO programming and its challenge to the established order has reached a point of diminishing returns, and that even more resort to long-existing structure should be considered.

References in H.R. 8311 for strengthening the role of the states (in Title I, Sec. 115, in rewritten Title II; in revised Title VI; and elsewhere) although they do not go very far in line with NAM policy, do go in the right direction. They include