

1 metropolitian **MR. DRISCOLL:** That is all I have.

2 **CHAIRMAN LILLEY:** We thank you for coming
3 naturally, here, particularly after running a big luncheon.

4 July, 1967 As I said before, it means an awful lot to

5 and sub- Newark. It produces the jobs that are talked

6 vation are about. It is one of these things that this

7 believed. Commission is looking for and which has been

8 deeper and put on the road. for permanent damage to the

9 nation's social order is far more (Witness excused)

10 have been imagined only - - - years ago

11 Whereupon, should note at this point that the pre-1967 reaction

12 of the Chamber to **LAWRENCE HOGUET** and welfare was

13 called as a witness, first duly sworn, testified as follows:

14 member firms have been **EXAMINATION** porters of civic and

15 charitable **By Mr. Jaffe:** In addition to funds, the Chamber

16 member **Q:** Could we have your employment and your official

17 connection? successful organization and execution.

18 **A:** I am senior vice president of Englehard Minerals
19 and Chemical Corporation located here in Newark.

20 **Q:** Are you also connected with any business organi-
21 zation in the city? Newark Chamber was an influence in the

22 **A:** I am president of the Greater Newark Chamber of
23 Commerce. The Newark Chamber is the largest such organi-
24 zation in the State of New Jersey and draws its membership
25 from the wide spectrum of commercial interests within the

1 metropolitan Newark area.

2 The Greater Newark Chamber of Commerce was shocked,
3 naturally, at the riots that took place in the city during
4 July, 1967. These disturbances revealed that the structures
5 and sub-structures of poverty, discrimination and depri-
6 vation are more complex and intricate than formerly
7 believed. The problems stemming from these concerns are
8 deeper and their potential for permanent damage to the
9 nation's social order is far more dangerous than might
10 have been imagined only a few years ago.

11 I should note at this point that the pre-1967 reaction
12 of the Chamber to issues of social action and welfare was
13 not without merit. The Chamber of Commerce and its
14 member firms have been major supporters of civic and
15 charitable endeavors. In addition to funds, the Chamber
16 membership regularly supplies the administrative talent
17 necessary to successful organization and execution.

18 In addition, the Newark Chamber has supported and
19 continues to support a variety of community programs. For
20 example:

- 21 * BICC - The Newark Chamber was an influence in the
22 founding of the Business and Industrial
23 Coordinating Council. This agency serves
24 both as a forum for community discussion and
25 a source of employment recruiting and

1 After placement.

2 *Symphony Hall- The Newark Chamber gave full endorsement
3 the good intent and cooperation to the plan for purchasing
4 help erect and rehabilitating this several-thousand
5 seat auditorium in downtown Newark. In
6 addition to serving as the cultural center
7 nation are part of the area by serving as a showcase for
8 social are in internationally-known performers, Symphony
9 in which many Hall functions as a classroom in which
10 indicate only literally thousands of New Jersey school
11 our times. The children are given annual exposure to
12 spread of various elements of our cultural heritage.

13 *TEAM - The Newark Chamber is working with Total
14 Employment and Manpower, a federally-
15 supported agency engaged in recruitment and
16 placement of the "hard core" unemployed.

17 I will amplify on this program a bit later
18 However, in this presentation.

19 * Education - The Newark Chamber has joined in the sponsor-
20 ship of a series of educational seminars
21 that have examined the kind of quality
22 of instruction available in the Newark
23 elementary schools. Our concern with
24 education will surely increase in the months
25 ahead.

1 After placing such evidence on the record, so to
2 speak, we now must address ourselves to an obvious fact --
3 the good intentions and good deeds of the past did not
4 help avert a riot in 1967. Actually, it has become increasingly clear since the
5 painful events of last summer that Newark and the entire
6 nation are part of an entirely new and rapidly evolving
7 social era in American history. We have entered a period
8 in which many of the comfortable guides of the past can
9 indicate only dimly the novel and confusing character of
10 our times. The onrush of urbanization and the unremitting
11 spread of mechanization have wrought more fundamental
12 social changes within a few short years than our ancestors
13 witnessed through centuries. One of the positive effects of this new age has been
14 a proliferation of material wealth and comfort. This has
15 brought untold ease and luxury for millions of Americans.
16 However, freedom from want has not been distributed
17 equally to all of our people. The rapid and diffuse
18 spread of wealth among the fortunate has also served to
19 emphasize the disparity between affluence and poverty,
20 between moderate means and no means and between to have
21 and to have not. Much of the basic discontent articulated in the riots
22 last summer had its origin in a growing consciousness on

1 the part of the deprived of just how far behind they are
2 in the race for the "good life," as such is defined in
3 mid-twentieth century America.

4 If American society is to become more relevant to
5 the lives of its deprived citizens, more responsive to
6 their legitimate demands and thus avoid the agony of
7 continued riots, then, as I have suggested, the traditional
8 patterns of social relationships must undergo a thorough
9 overhaul. A fundamental aim of that revision should be
10 the assurance that all of our citizens are given ample
11 opportunity to contribute to the continued growth of the
12 nation and to share in its bounty -- both socially and
13 economically.

14 If we examine the Greater Newark Chamber of Commerce
15 within the new order of things, I would say that the orga-
16 nation has reacted positively to the changing social
17 environment.

18 As a specific example of the Chamber's readjustment
19 to an evolving era: this noon I attended a luncheon at
20 which several hundred Newark area employers were exhorted
21 to hire the so-called "hard-core" unemployed as a practical
22 means of helping to revitalize the area's economy.

23 The Greater Newark Chamber of Commerce was a co-sponsor
24 of that luncheon, with the Greater Newark Development
25 Council and Total Employment and Manpower (TEAM), the

1 group I mentioned earlier. Although in the planning
2 stages for several months, this employment appeal by the
3 Chamber is directly parallel to a central passage in
4 President Johnson's 1968 State of the Union Message, in
5 which he urged the American business community to make
6 every effort to hire the half-million previously "unem-
7 ployables" whose continued idleness is an indictment of
8 the nation's affluence.

9 Beyond this specific example, I wish to cite a funda-
10 mental change in organization made by the Greater Newark
11 Chamber of Commerce as part of an earnest effort to be of
12 service to the community and its citizens.

13 The Chamber of Commerce, after a long study, last
14 month voted to discard its time-honored system of standing
15 committees and to substitute a far more flexible and, it
16 is hoped, more productive council structure.

17 The new council system, approved a success elsewhere,
18 by the way, will permit the Newark Chamber to establish and
19 maintain a rapport with Newark citizens that was simply
20 not possible heretofore. The new council structure is so
21 ordered as to encourage more Chamber involvement at the
22 neighborhood level, which is exactly where the business
23 establishment and community elements have least met on
24 mutually productive and understanding terms. This "grass
25 roots" Chamber activity, if you will, can come about as the

1 Chamber of Commerce broadens the appeal of its membership
2 through the council form of operation.

3 a Parenthetically, we note here that the present
4 Chamber membership is approximately 800 business firms
5 out of a potential of 11,000 prospective members. The
6 Chamber's new structure, I am convinced, will allow the
7 small shopkeeper as real a voice as the large corporation
8 president in what is, for each, "his" Chamber of Commerce.
9 Attached to the text of this statement and to be placed
10 in the Commission's records is a copy of the January 22,
11 1968, edition of The Exec, the weekly publication of the
12 Greater Newark Chamber of Commerce. This edition contains
13 a detailed report of the Chamber reorganization and is
14 submitted to be included among this Commission's findings.

15 The new structure was adopted only a few weeks ago
16 and is obviously still in the throes of a necessary period
17 of organization and assignment of priorities. I do think,
18 however, that it is significant to report now that the
19 overwhelming amount of this reorganization to date has been
20 directly concerned with agenda items related to the city's
21 changing urban environment.

22 The preoccupation of the business community with
23 social issues, an attitude now so evident, received parti-
24 cular notice in the just-published ninth annual report of
25 the Advisory Commission on Intergovernmental Relations.

1 The American business establishment, the report finds,
2 "crossed the Rubicon" in 1967. The Advisory Commission,
3 a federal study unit, particularly applauded current
4 business involvement with efforts to generate more effective
5 fiscal resources to deal with emerging urban problems.

6 The Greater Newark Chamber of Commerce is irrevocably
7 committed to a full and permanent contribution toward the
8 peaceful evolution of our urban environment. We have no
9 illusions about the difficulties that such a task involves.
10 But Americans are, after all, a pragmatic nation and businessmen
11 are perhaps the most pragmatic of our people. We
12 realize that an ordered development of our cities is
13 absolutely essential if our citizens, both Negro and white,
14 are to realize anything approaching peace and security in
15 the immediate and foreseeable futures. We intend to assist
16 that ordered development.

17 CHAIRMAN LILLEY: The executive director
18 doesn't have any questions because the statement
19 covers most everything. Do the Commissioners
20 have any?

21 MR. LOFTON: Mr. Hoguet, do I understand you
22 to say that the Greater Newark Chamber of Commerce
23 was one of the founders of the BICC?

24 THE WITNESS: Yes, together with the Greater
25 Newark Development Council jointly.

1 MR. LOFTON: I read recently that a black
2 caucus in the BICC had recommended that three
3 firms be expelled or suspended from the BICC
4 membership for their failure or refusal to supply
5 racial information concerning their forces. Are
6 you familiar with that?

7 THE WITNESS: In a general way. I had
8 heard about it. I am not familiar with it in a
9 detailed way, but I did know about the incident.
10 I don't know whether these firms now have sub-
11 mitted the detailed information. Considerable
12 pressure was brought to bear on them to do this,
13 and I don't know whether it has actually been
14 done. I knew the BICC had a full-scale meeting
15 about this question. I think there is a meeting
16 scheduled for the end of this month. Whether
17 these three firms have actually come through or
18 not I don't know. Yes, sir.

19 MR. LOFTON: My question was really going
20 to go to whether or not the Greater Newark
21 Chamber of Commerce supported this position of
22 the statement of the BICC or the committee, this
23 black caucus committee, in demanding and making
24 a requirement that this kind of information be
25 supplied. Do you think that information should

1 be supplied or that this is information that
2 should not be supplied?

3 THE WITNESS: I do think it should be
4 supplied.

5 MR. DRISCOLL: Mr. Chairman, I have just
6 one question to clarify my thinking. You refer-
7 red to the Greater Newark Metropolitan Area as
8 I remember it. Can you define the Greater Newark
9 Metropolitan Area? It is a step that should have

10 been THE WITNESS: I think we take in peripheral
11 towns like Irvington and towns adjacent to Newark
12 proper. In our drive for membership we have tried
13 to get members from the community such as
14 Irvington to join. It hasn't been as successful
15 as I would like to see it.

16 MR. DRISCOLL: Largely in the County of
17 Essex?

18 THE WITNESS: Yes, sir.

19 CHAIRMAN LILLEY: Anything else, Justice?

20 JUDGE WACHENFELD: Nothing.

21 CHAIRMAN LILLEY: There are two things you
22 might want to talk about. It has been said more
23 than once that there are few, if any Negroes,
24 on the Chamber of Commerce, and I am sure you
25 have had to think about this and the reasons and

1 what can be done. Would you care to discuss
2 this?

3 THE WITNESS: We recently elected to the
4 board of directors an outstanding Negro,
5 Andrew Stanchfield. He is the first Negro to
6 join the board. We certainly hope to expand
7 the Negro membership on the directorate. We
8 have several names under consideration. We
9 feel strongly that it is a step that should have
10 been taken some time ago, and it is a situation
11 where we are trying to remedy a thing that has
12 been amiss for some time. I think we have made
13 the initial stand in that direction.

14 and Notary Pub CHAIRMAN LILLEY: Would you comment to any
15 hereby extent you desire about the relationships as you
16 see them between the business community and the
17 administration of the city?

18 THE WITNESS: I think, Mr. Chairman, it
19 certainly hasn't been on the best possible level
20 in my opinion. I think it leaves a great deal
21 to be desired, and I think on several occasions
22 it has been made quite clear to city hall what
23 the business community objects to.

24 CHAIRMAN LILLEY: Is there anything else,
25 gentlemen?

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MR. DRISCOLL: Nothing else except to say
thank you.

CHAIRMAN LILLEY: Thank you very much.
You happened to be the very last witness to
appear before this Commission. I won't say we
have been waiting for you. That might give the
wrong impression, but we have.

(Whereupon, the hearings were closed.)

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C E R T I F I C A T E

I, JOSEPH F. READING, a Certified Shorthand Reporter
and Notary Public in and for the State of New Jersey, do
hereby certify that the foregoing is an accurate transcript
of my stenographic notes to the best of my ability.

Joseph F. Reading

February 8, 1968.

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