Chapter 17

Recommendations for National Action

INTRODUCTION

The Commission has already addressed itself to the need for immediate action at the local level. Because the city is the focus of racial disorder, the immediate responsibility rests on community leaders and local institutions. Without responsive and representative local government, without effective processes of interracial communication within the city, and without alert, well-trained and adequately supported local police, national action—no matter how great its scale—cannot be expected to provide a solution.

Yet the disorders are not simply a problem of the racial ghetto or the city. As we have seen, they are symptoms of social ills that have become endemic in our society and now affect every American—black or white, businessman or factory worker, suburban commuter or slumdweller.

None of us can escape the consequences of the continuing economic and social decay of the central city and the closely related problem of rural poverty. The convergence of these conditions in the racial ghetto and the resulting discontent and disruption threaten democratic values fundamental to our progress as a free society.

The essential fact is that neither existing conditions nor the garrison state offers acceptable alternatives for the future of this country. Only a greatly enlarged commitment to national action—compassionate, massive and sustained, backed by the will and resources of the most powerful and the richest nation on this earth—can shape a future that is compatible with the historic ideals of American society.

It is this conviction that leads us, as a commission on civil disorders, to comment on the shape and dimension of the action that must be taken at the national level.

In this effort we have taken account of the work of scholars and experts on race relations, the urban condition and poverty. We have studied the reports and work of other commissions, of congressional committees, and of many special task forces and groups both within the Government and within the private sector.

Financing the Cost

The Commission has also examined the question of financing; although there are grave difficulties, we do not regard them as insoluble. The Nation has substantial financial resources—not enough to do everything some might wish, but enough to make an important start on reducing our critical "social deficit," in spite of a war and in spite of current budget requirements.

The key factors having a bearing on our ability to pay for the cost are the great productivity of the American economy, and a Federal revenue system which is highly responsive to economic growth. In combination, these produce truly astounding automatic increases in Federal budget receipts provided only that the national economy is kept functioning at capacity so that actual national income expands in line with potential.
These automatic increases—the “fiscal dividend”—from the Federal revenue system range from $11 billion to $14 billion under conditions of steady economic growth.

The tax surcharge requested by the President, including continuation of excise taxes, would add about $16 billion to the fiscal dividend of about $28.5 billion over a 2-year period.

While competing demands are certain to grow with every increase in Federal revenues, so that hard choices are inevitable, these figures demonstrate the dimension of resources—apart from changes in tax rates—which this country can generate.

Federal Program Coordination

The specter of Detroit and New Haven engulfed in civil turmoil despite a multitude of federally aided programs raised basic questions as to whether the existing “delivery system” is adequate to the bold new purposes of national policy. Many who voiced these concerns overlooked the disparity between the size of the problems at which the programs are aimed and the level of funding provided by the Federal Government.

Yet there is little doubt that the system through which Federal programs are translated into services to people is a major problem in itself. There are now over 400 grant programs operated by a broad range of Federal agencies and channeled through a much larger array of semiautonomous state and local government entities. Reflective of this complex scheme, Federal programs often seem self-defeating and contradictory: field officials unable to make decisions on their own programs and unaware of related efforts; agencies unable or unwilling to work together; programs conceived and administered to achieve different and sometimes conflicting purposes.

The new social development legislation has put great strain upon obsolete machinery and administrative practices at all levels of government. It has loaded new work on Federal departments. It has required a level of skill, a sense of urgency, and a capacity for judgment never planned for or encouraged in departmental field offices. It has required planning and administrative capacity rarely seen in statehouses, county courthouses, and city halls.

Deficiencies in all of these areas have frustrated accomplishment of many of the important goals set by the President and the Congress.

In recent years serious efforts have been made to improve program coordination. During the 1961-65 period, almost 20 Executive Orders were issued for the coordination of Federal programs involving intergovernmental administration. Some 2 dozen interagency committees have been established to coordinate two or more Federal aid programs. Departments have been given responsibility to lead others in areas within their particular competence—OEO, in the poverty field; HUD in Model Cities. Yet, despite these and other efforts, the Federal Government has not yet been able to join talent, funds, and programs for concentrated impact in the field. Few agencies are able to put together a comprehensive package of related programs to meet priority needs.

There is a clear and compelling requirement for better coordination of federally funded programs, particularly those designed to benefit the residents of the inner city. If essential programs are to be preserved and expanded, this need must be met.

The Commission’s Recommendations

We do not claim competence to chart the details of programs within such complex and interrelated fields as employment, welfare, education, and housing. We do believe it is essential to set forth goals and to recommend strategies to reach these goals.

That is the aim of the pages that follow. They contain our sense of the critical priorities. We discuss and recommend programs not to commit each of us to specific parts of such programs but to illustrate the type and dimension of action needed.

Much has been accomplished in recent years to formulate new directions for national policy and new channels for national energy. Resources devoted to social programs have been greatly increased in many areas. Hence, few of our program suggestions are entirely novel. In some form, many are already in effect.

All this serves to underscore our basic conclusion: the need is so much for the Government to design new programs as it is for the Nation to generate new will. Private enterprise, labor unions, the churches, the foundations, the universities—all our urban institutions—must deepen their involvement in the life of the city and their commitment to its revival and welfare.

Objectives for National Action

Just as Lincoln, a century ago, put preservation of the Union above all else, so should we put creation of a true union—a single society and a single American identity—as our major goal. Toward that goal, we propose the following objectives for national action:

- Opening up all opportunities to those who are restricted by racial segregation and discrimination, and eliminating all barriers to their choice of jobs, education, and housing.
- Removing the frustration of powerlessness among the disadvantaged by providing the means to deal with the problems that affect their own lives and by increasing the capacity of our public and private institutions to respond to those problems.
- Increasing communication across racial lines to destroy stereotypes, halt polarization, end distrust and hostility and create common ground for efforts toward common goals of public order and social justice.
There are those who oppose these aims as “rewarding the rioters.” They are wrong. A great nation is not so easily intimidated. We propose these aims to fulfill our pledge of equality and to meet the fundamental needs of a democratic and civilized society—domestic peace, social justice, and urban centers that are citadels of the human spirit.

There are others who say that violence is necessary—that fear alone can prod the Nation to act decisively on behalf of racial minorities. They too are wrong. Violence and disorder compound injustice; they must be ended and they will be ended.

Our strategy is neither blind repression nor capitulation to lawlessness. Rather it is the affirmation of common possibilities, for all, within a single society.

I. EMPLOYMENT

Introduction

Unemployment and underemployment are among the most persistent and serious grievances of our disadvantaged minorities. The pervasive effect of these conditions on the racial ghetto is inextricably linked to the problem of civil disorder.

In the Employment Act of 1946, the United States set for itself a national goal of a useful job at a reasonable wage for all who wish to work. Federal expenditures for manpower development and training have increased from less than $60 million in 1963 to $1.6 billion in 1968. The President has proposed a further increase to $2.1 billion in 1969 to provide work experience, training, and supportive services for 1.3 million men and women. Despite these efforts, and despite sustained general economic prosperity and growing skill demands of automated industry, the goal of full employment has become increasingly hard to attain.

Today there are about 2 million unemployed, and about 10 million underemployed, 6.5 million of whom work full time and earn less than the annual poverty wage.

The most compelling and difficult challenge is presented by some 500,000 “hardcore” unemployed who live within the central cities, lack a basic education, work not at all or only from time to time, and are unable to cope with the problems of holding and performing a job. A substantial part of this group is Negro, male, and between the ages of approximately 18 and 25. Members of this group are often among the initial participants in civil disorders.

A slum employment study by the Department of Labor in 1966 showed that as compared with an unemployment rate for all persons in the United States of 3.8 percent, the unemployment rate among 16- to 19-year-old nonwhite males was 26.5 percent and among

*Neighborhood Youth Corps enrollees learn basic mathematics, Memphis*
16- to 24-year-old nonwhite males 15.9 percent. Data collected by the Commission in cities where there were racial disorders in 1967 indicate that Negro males between the ages of 15 and 25 predominated among the rioters. More than 20 percent of the rioters were unemployed; and many of those who were employed worked in intermittent, low status, unskilled jobs—jobs which they regarded as below their level of education and ability.

In the riot cities that we surveyed, Negroes were three times as likely as whites to hold unskilled jobs, which are often part time or seasonal, and "dead end"—a fact that's as significant for Negroes as unemployment.

Goals and Objectives

We propose a comprehensive national manpower policy to meet the needs of both the unemployed and the underemployed. That policy will require:

- Continued emphasis on national economic growth and job creation so that there will be jobs available for those who are newly trained, without displacing those already employed.
- Unified and intensive recruiting to reach those who need help with information about available jobs, training and supportive aids.
- Careful evaluation of the individual's vocational skills, potentials and needs; referral to one or more programs of basic education, job training and needed medical, social, and other services; provision for transportation between the ghetto and outlying employment areas, and continued follow-up on the individual's progress until he no longer needs help.
- Concentrated job training efforts, with major emphasis on on-the-job training by both public and private employers, as well as public and private vocational schools and other institutional facilities.
- Opening up existing public and private job structures to provide greater upward mobility for the underemployed without displacing anyone already employed at more advanced levels.
- Large-scale development of new jobs in the public and private sectors to absorb as many as possible of the unemployed, again without displacing the employed.
- Stimulation of public and private investment in depressed areas, both urban and rural, to improve the environment, to alleviate unemployment and underemployment and, in rural areas, to provide for the poor alternatives other than migration to large urban centers.
- New kinds of assistance for those who will continue to be attracted to the urban centers, both before and after they arrive.
- Increasing small business and other entrepreneurial opportunities in poverty areas, both urban and rural.

Basic Strategies

To achieve these objectives, we believe the following basic strategies should be adopted:

- Existing programs aimed at recruiting, training, and job development should be consolidated according to the function they serve at local, state and Federal levels, to avoid fragmentation and duplication.

We need comprehensive and focused administration of a unified group of manpower programs.

- High priority should be placed on the creation of new jobs in both the public and private sectors.

In the public sector a substantial number of such jobs can be provided quickly, particularly by government at the local level, where there are vast unmet needs in education, health, recreation, public safety, sanitation, and other municipal services. The National Commission on Technology, Automation, and Economic Progress estimated that there are 5.3 million potential jobs in public service. But the more difficult task is to provide jobs in private industry for the hard-core unemployed. Both strategies must be pursued simultaneously, with some arrangements for a flow of trainees from public sector jobs to on-the-job training in private companies.

- Creation of jobs for the hard-core unemployed will require substantial payments to both public and private employers to offset the extra costs of supportive services and training.

Basic education and counseling in dress, appearance, social relationships, money management, transportation, hygiene, health, punctuality and good work habits—all of which employers normally take for granted—may have to be provided. Productivity may be low for substantial periods.

- Special emphasis must be given to motivating the hard-core unemployed.

A sure method for motivating the hard-core unemployed has not yet been devised. One fact, however, is already clear from the experience of the Job Corps, Neighborhood Youth Corps, and Manpower Development and Training projects: the previously hard-core unemployed trainee or employee must understand that he is not being offered or trained for a "dead-end" job. Since, by definition, he is not eligible even for an entry-level position, he must be given job training. He must be convinced that, if he performs satisfactorily, after the training period he will be employed and given an opportunity to advance, if possible, on a clearly defined "job ladder," with step increases in both pay and responsibility.

- Artificial barriers to employment and promotion must be removed by both public agencies and private employers.

Racial discrimination and unrealistic and unnecessarily high minimum qualifications for employment or promotion often have the same prejudicial effect. Government and business must consider for each type of job whether a criminal record should be a bar, and
whether a high school diploma is an inflexible pre-requisite. During World War II, industry successfully employed large numbers of the previously unemployed and disadvantaged by lowering standards and by restructuring work patterns so that the job fit the level of available skills. We believe that too often government, business, and labor unions fail to take into account innate intelligence and aptitudes which are not measurable.

Present recruitment procedures should be reexamined. Testing procedures should be revalidated or replaced by work sample or actual job tryouts. Applicants who are rejected for immediate training or employment should be evaluated and counseled by company personnel officers and referred to either company or public remedial programs. These procedures have already been initiated in the steel and telephone industries.

- **Special training is needed for supervisory personnel.**

  Support needed by the hard-core unemployed during initial job experience must be provided by specially trained supervisors. A new program of training entry-level supervisors should be established by management, with government assistance if necessary.

**Suggested Programs**

We are proposing programs in six areas in order to illustrate how we believe the basic strategies we have outlined can be put into effect:

- Consolidating and concentrating employment efforts.
- Opening the existing job structure.
- Creating 1 million new jobs in the public sector in 3 years.
- Creating 1 million new jobs in the private sector in 3 years.
- Developing urban and rural poverty areas.
- Encouraging business ownership in the ghetto.

- **Consolidating and concentrating employment efforts.**

  **Recruitment.** There is an urgent need for a comprehensive manpower recruitment and services agency at the community level. The Federal-state employment service is not serving this function in many urban areas and cannot do so unless it is substantially restructured and revitalized. This was recommended in 1965 by the Employment Service Task Force but has been only partially achieved by the Employment Services’ new Human Resources Development Program.

  We believe that every city should establish such a comprehensive agency, with authority to direct the coordination of all manpower programs, including those of the employment service, the community action agencies, and other local groups.

  The Concentrated Employment Program established by the Department of Labor last year and now operating in the ghettos of 20 cities and in two rural areas is an important beginning toward a unified effort at the local level. A related effort by the Department of Housing and Urban Development is underway in the Model Cities Program, now in the planning stage in some 63 cities.

  **Placement.** In order to match men to jobs, we need more effective interchange of information. A computerized nationwide service should be established, as recommended in 1966 by the National Commission on Technology, Automation, and Economic Progress, with priority of installation given to the large urban centers.

  An information system of this sort would simplify placement—including interarea placement and placement from ghetto to suburb. This in turn will often require transportation assistance and counseling.

  The existing experimental mobility program, under the Manpower Development and Training Act, should be greatly expanded and should support movement from one part of a metropolitan area to another. Aid to local public transportation under the Mass Transportation Program should be similarly expanded on the basis of an existing experiment with subsidies for routes serving ghetto areas.

  Job development and placement in private industry is critical to our proposed strategies and is now handled separately by a wide variety of agencies and programs: the Manpower Development and Training Act program, the vocational education programs, the Vocational Rehabilitation Program, the Job Corps and, recently, the Neighborhood Youth Corps and several new adult work experience and training programs. All seek to place trainees with private employers, sometimes with and sometimes without training assistance, through a wide variety of local agencies, as well as through the employment service, community action agencies and others.

  A single, cooperative national effort should be undertaken with the assistance of business, labor, labor, and industrial leaders at national, regional, and local levels. It should reach both individual companies and trade associations, systematically and extensively, with information about incentive programs and aids, and with authority to negotiate contractual arrangements and channel incentive funds to private employers.

  The recently created Urban Coalition, with its local affiliates, brought together many of the interested parties in the private sector. The National Alliance of Businessmen just established by the President will be concentrating private industry efforts in on-the-job training of the hard-core unemployed. We believe that it may be helpful now to create a federally chartered corporation with authority to undertake the coordination of the private sector job program outlined below.

- **Opening the existing job structure.**

  Arbitrary barriers to employment and promotion must be eliminated.

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Federal, state, and local efforts to insure equal opportunity in employment should be strengthened by:

(a) Including Federal, state, and local governmental agencies as employers covered by Title VII of the 1964 Civil Rights Act, the Federal antidiscrimination-in-employment law, which now covers other employers of 50 or more employees (and as of July 1968, will cover employers of 25 or more employees), labor unions, and employment agencies.

(b) Granting to the Equal Employment Opportunity Commission, the Federal enforcement agency under Title VII, cease and desist power comparable to the enforcement power now held by other Federal agencies administering regulatory national policies.

(c) Increasing technical and other assistance now provided through the Equal Employment Opportunity Commission to state and local antidiscrimination commissions under the provisions of Title VII.

(d) Undertaking, through the Equal Employment Opportunity Commission, an industry and areawide enforcement effort based not only upon individual complaints but upon employer and union reports showing broad patterns of discrimination in employment and promotion.

(e) Linking enforcement efforts with training and other aids to employers and unions, so that affirmative action to hire and promote may be encouraged in connection with investigation of both individual complaints and charges of broad patterns of discrimination.

(f) Substantially increasing the staff and other resources of the Equal Employment Opportunity Commission to enable it to perform effectively these additional functions.

Equal opportunity for employment by Federal contractors under Executive Order 11246 should be enforced more vigorously against both employers and unions. This is particularly critical in regard to Federal construction contracts. Staff and other resources of the Office of Contract Compliance in the Department of Labor should be increased so that withholding Federal contracts is made a meaningful sanction.

The efforts of the Department of Labor to obtain commitments from unions to encourage Negro membership in apprenticeship programs are especially noteworthy and should be intensified.

Title VI of the 1964 Civil Rights Act, which provides for withholding Federal grant-in-aid funds from activities which discriminate on grounds of color or race, should be supported fully, particularly in regard to recruitment for federally assisted job training in hospitals, universities, colleges, and schools. The staff and other resources of the Department of Health, Education and Welfare, which has primary jurisdiction over these functions, should be expanded for this purpose.

The Federal Government, through the Civil Service Commission and other agencies, should undertake programs of recruitment, hiring, and on-the-job training of the disadvantaged and should reexamine and revalidate its minimum employment and promotion standards. In this regard the Federal Government should become a model for state and local government and the private business community. To enlist the full cooperation of Federal agencies, they should be reimbursed by internal allowances for the extra costs of training disadvantaged employees.

One way to improve the condition of the underemployed, on a national basis, would be to increase the Federal minimum wage and widen its coverage. The recent increase to $1.60 per hour yields an annual wage only slightly above the poverty level and only for those employed full time. As an alternative, we recommend consideration be given to an experimental program of wage supplements or other methods for achieving the same income goals.

Creating 1 million new jobs in the public sector in 3 years.

Existing public employment programs should be consolidated and substantially increased. The Neighborhood Youth Corps last year involved approximately 300,000 youths between the ages of 14 and 22 in three programs of work experience. NYC offers either full-time positions, year-round or during the summer, or part-time positions during the school year. Several similar but considerably smaller public employment programs involve chronically unemployed adults, generally in subprofessional community betterment work: Operation Mainstream in small towns and rural areas; New Careers and Special Impact in urban areas; and Work Experience and Training for welfare recipients under the 1967 amendments to Title IV of the Social Security Act.

Emphasis in the expanded public employment programs should be shifted, so far as possible, from work experience to on-the-job training, and additional Federal assistance, above the present payment of 90 percent of wages, should be provided to pay for the additional costs of training and supportive services to trainees. Federal assistance should be scaled so that it does not terminate abruptly; the public employer should pay a progressively larger share of the total cost as trainees’ productivity increases.

Emphasis should also be placed on employing trainees to improve rundown neighborhoods and to perform a variety of other socially useful public services which are not “make-work,” including Community Service Officers in police departments, as recommended by the President’s Commission on Law Enforcement and Administration of Justice and as discussed above in Chapter 11.

Public employers should be required to pay on-the-
job trainees not less than the minimum wage or the prevailing wage in the area for similar work, whichever is higher. We recommend a 3-year program, aimed at creating 250,000 new public service jobs in the first year and a total of 1 million such jobs over the 3-year period.

The Department of Defense should (a) continue its emphasis on (and consider expansion of) “Project 100,000” under which it accepts young men with below standard test scores; (b) intensify its recruiting efforts in areas of high unemployment so that young men living there are fully aware of the training and service opportunities open to them; and (c) substantially expand Project Transition, which began on a pilot basis in 1967 and involves training and counseling for servicemen scheduled to return to civilian life.

- Creating 1 million new jobs in the private sector in 3 years.¹

Eighty-four percent of the Nation’s 73 million civilian workers are at work in 11.5 million private enterprises. The involvement of only 5 percent of all private companies would represent the use of more than 500,000 enterprises and provide a massive additional spur to job development.

Based on experience with training by private employers, primarily under the Manpower Development and Training Act, our recommendations are aimed at inducing a substantially expanded number of companies to hire and train the hard-core unemployed.

Recruitment and referral of the disadvantaged unemployed should be undertaken by a public body such as the manpower service agency we have already described. The manpower service agency would determine eligibility and certify a chronically unemployed person for on-the-job training by issuing to him a certificate of eligibility or similar identifying document. This would entitle the private employer to reimbursement for certain costs. A similar technique was used under the GI Bill for training veterans of World War II and the Korean conflict.

The direct reimbursement system currently used in on-the-job training programs should be expanded and the existing programs should be consolidated under a single administration. These programs include the Manpower Development and Training Act and the new Work Training in Industry components of the Neighborhood Youth Corps, New Careers, and Special Impact programs. Under these programs a Federal agency contracts to reimburse each employer for a negotiated average cost of training and supportive services for each trainee.

If a corporation is chartered by Congress to serve as the Government’s primary instrument for job developement in the private sector, the corporation, through regional and local subsidiaries, would:

(a) systematically work with trade groups, companies, and labor unions;

(b) arrange for any necessary supportive services and provocational educational training which employers are unable to provide; and

(c) enter into contracts with employers providing for their reimbursement for the extra costs of training.

The employer would of course undertake not to dismiss existing employees in order to hire trainees; to provide job training along with supportive services; and to give reasonable assurance that the employee would be fairly promoted if he successfully completed his training period.

To serve as an incentive to widespread business involvement the average amount of the reimbursement must exceed substantially the approximately $1,000 per year payment now made under Federal on-the-job training programs and, for the hard-core unemployed, should at least equal the $3,500 recommended by the President in his manpower message of January 23, 1968.

An additional and potentially lower cost method of stimulating on-the-job training and new job creation for the hard-core unemployed is through a tax credit system, provided that guidelines are adopted to ensure adequate training and job retention. The Commission believes this alternative holds promise. With respect to the tax credit device, we note that since its enactment in 1962 the existing 7 percent incentive credit for investment in new equipment and machinery has been highly successful as a technique for reaching a large number of individual enterprises to effectuate a national policy. During the 1962-65 period the credit was taken on 1,239,000 corporate tax returns representing new investment in the amount of approximately $75 billion.

To assure comparable simplicity in administration, the tax credit should be geared to a fixed amount for each certificated employee hired and retained at least for a 6-month period, with decreasing credits for retention for additional periods totaling another 18 months. No credit would be allowed if existing employees are displaced, or if the turnover rate among certificated employees during each period exceeds more than twice the employer’s usual turnover rate.

The corporation chartered by Congress would establish performance guidelines, compare and evaluate the results of job training operations by contract and under the tax credit and arrange to share with all participating employers the experiences of other companies with techniques for training the hard-core unemployed and holding them on the job.

The Commission recommends a 3-year program,

¹ The text of the report to the Commission by its Advisory Panel on Private Enterprise is set forth as an appendix to this Report.
aimed at creating 300,000 new private sector jobs in the first year and a total of 1 million such jobs over the 3-year period, provided that the tax credit is enacted at an early date. If the tax credit is not so enacted, a realistic goal would be 150,000 such jobs in the first year and 1 million jobs over a 3- to 5-year period.

- Developing urban and rural poverty areas.

A tax credit should also be provided for the location and renovation of plants and other business facilities in urban and rural “poverty areas,” as already defined jointly by several Federal departments and agencies.

The existing incentive tax credit for investment in new equipment (but not for real property or plant) is available without regard to where the investment is made. For investment in poverty areas, the existing credit should be increased substantially and extended to investments in real property and plant, whether for the construction of a new plant or the acquisition of an existing facility. Plant and equipment in these areas should also be eligible for rapid amortization, within as little as 5 years.

These incentives would be designed to attract to the poverty areas the kind of industrial and commercial development which would create new jobs and provide other economic benefits for the disadvantaged community surrounding the enterprise. An employer eligible for the poverty area investment credit would also be eligible—if he employed certificated trainees for the hard-core employment credit. The two credits are designed to meet separate needs and different costs to investors and employers.

To begin an intensified national effort to improve rural economic conditions and to stem the flow of migration from these areas to large urban centers, the new investment credit should also be available for farms investing or expanding in rural poverty areas.

The authority and the resources of the Economic Development Administration should be enlarged to enable it to expand its operations into urban poverty areas on a substantial scale.

- Encouraging business ownership in the ghetto.

We believe it is important to give special encouragement to Negro ownership of business in ghetto areas. The disadvantaged need help in obtaining managerial experience and in creating for themselves a stake in the economic community. The advantages of Negro entrepreneurship also include self-employment and jobs for others.

Existing Small Business Administration equity and operating loan programs, under which almost 3,500 loans were made during fiscal year 1967, should be substantially expanded in amount, extended to higher risk ventures, and promoted widely through offices in the ghetto. Loans under Small Business Administration guarantees, which are now authorized, should be actively encouraged among local lending institutions.

Counseling and managerial assistance should also be provided. The new Department of Commerce program under which Negro small businessmen are assisted in creating associations for pooling purchasing power and sharing experience, should be expanded and consolidated with the Small Business Administration loan program. The Interracial Council for Business Opportunity and other private efforts to provide counseling by successful businessmen outside the ghetto should be supported and enlarged.

II. EDUCATION

Introduction

Education in our democratic society must equip the children of the nation to develop their potential and to participate fully in American life. For the community at large, the schools have discharged this responsibility well. But for many minorities, and particularly for the children of the racial ghetto, the schools have failed to provide the educational experience which could help overcome the effects of discrimination and deprivation.

This failure is one of the persistent sources of grievance and resentment within the Negro community. The hostility of Negro parents and students toward the school system is generating increasing conflict and causing disruption within many city school districts.

But the most dramatic evidence of the relationship between educational practices and civil disorder lies in the high incidence of riot participation by ghetto youth who have not completed high school. Our survey of riot cities found that the typical riot participant was a high school dropout. As Superintendent Briggs of Cleveland testified before the Commission:

Many of those whose recent acts threaten the domestic safety and the lives of those who have been our justice at the roots of the American democracy are the products of yesterday's inadequate and neglected inner city schools. The greatest unused and underdeveloped human resources in America are to be found in the deteriorating cores of America's urban centers.

The bleak record of public education for ghetto children is growing worse. In the critical skills—verbal and reading ability—Negro students fall further be-
hind whites with each year of school completed. For example, in the metropolitan Northeast Negro students on the average begin the first grade with somewhat lower scores than whites on standard achievement tests, are about 1.6 grades behind by the 6th grade and have fallen 3.3 grades behind white students by the 12th grade. The failure of the public schools to equip these students with basic verbal skills is reflected in their performance on the Selective Service Mental Test. During the period June 1963 to December 1965, 67 percent of Negro candidates failed the examination. The failure rate for whites was 19 percent.

The result is that many more Negro than white students drop out of school. In the metropolitan North and West, Negro students are more than three times as likely as white students to drop out of school by ages 16 to 17. As reflected by the high unemployment rate for graduates of ghetto schools and the even higher proportion of employed workers who are in low-skilled, low-paid jobs, many of those who do graduate are not equipped to enter the normal job market and have great difficulty securing employment.

Several factors have converged to produce this critical situation.

Segregation

The vast majority of inner-city schools are rigidly segregated. In 75 major central cities surveyed by the U.S. Commission on Civil Rights in its study, "Racial Isolation in the Public Schools," 75 percent of all Negro students in elementary grades attended schools with enrollments that were 50 percent or more Negro. Almost 90 percent of all Negro students attended schools which had a majority of Negro students. In the same cities, 83 percent of all white students in those grades attended schools with 90 to 100 percent white enrollments.

Racial isolation in the urban public schools is the result principally of residential segregation and widespread employment of the "neighborhood school" policy, which transfers segregation from housing to education. The effect of these conditions is magnified by the fact that a much greater proportion of white than Negro students attend private schools. Studies indicate that, in America's 20 largest cities, approximately four out of 10 white students are enrolled in nonpublic schools, as compared with only one out of 10 Negro pupils. The differential appears to be increasing.

Urban schools are becoming more segregated. In a sample of 15 large northern cities, the Civil Rights Commission found that the degree of segregation rose sharply from 1950 to 1965. As Negro enrollments in these 15 cities grew, 97 percent of the increase was absorbed by schools already over 50 percent Negro and 84 percent by schools more than 90 percent Negro. By 1975, it is estimated that, if current policies and trends persist, 80 percent of all Negro pupils in the 20 largest cities, comprising nearly one-half of the Nation's Negro population, will be attending 90 to 100 percent Negro schools.

Segregation has operated to reduce the quality of education provided in schools serving disadvantaged Negro neighborhoods. Most of the residents of these areas are poor. Many

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1 "Equality of Educational Opportunity," U.S. Department of HEW, Office of Education (1966), p. 20. This report, generally referred to as the Coleman Report, was prepared pursuant to Section 402 of the Civil Rights Act of 1964.
2 The actual nonenrollment rate for Negro students in these areas is 20 percent, as opposed to 6 percent for white students. Coleman Report, p. 31.
3 Employment figures reflect discriminatory practices as well. The contribution of inadequate education to unemployment, while not quantified, is clearly substantial.
4 "Big City School Desegregation: Trends and Methods," supra.
of the adults, the products of the inadequate, rural school systems of the South, have low levels of educational attainment. Their children have smaller vocabularies, and are not as well equipped to learn rapidly in school—particularly with respect to basic literary skills—as children from more advantaged homes.

When disadvantaged children are racially isolated in the schools, they are deprived of one of the more significant ingredients of quality education: exposure to other children with strong educational backgrounds. The Coleman Report and the Report of the Civil Rights Commission establish that the predominant socioeconomic background of the students in a school exerts a powerful impact upon achievement. Further, the Coleman Report found that "if a minority pupil from a home without much educational strength is put with schoolmates with strong educational backgrounds, his achievement is likely to increase." 10

Another strong influence on achievement derives from the tendency of school administrators, teachers, parents, and the students themselves to regard ghetto schools as inferior. Reflecting this attitude, students attending such schools lose confidence in their ability to shape their future. The Coleman Report found this factor—"destiny control"—to have a stronger relationship to achievement than all the 'school' factors together and to be related for Negroes, to the proportion of white in the schools. 11

In other words, both class and race factors have a strong bearing on educational achievement; the ghetto student labors under a double burden.

Teachers

The schools attended by disadvantaged Negro children commonly are staffed by teachers with less experience and lower qualifications than those attended by middle-class whites. 12 For example, a 1963 study ranking Chicago's public high schools by the socioeconomic status of surrounding neighborhoods found that in the 10 lowest-ranking schools only 63.2 percent of all teachers were fully certified, and the median level of teaching experience was 3.9 years. In three of these schools, the median level was 1 year. Four of these lowest ranking schools were 100 percent Negro in enrollment and three were over 90 percent Negro. By contrast, eight of the 10 highest-ranking schools had nearly total white enrollments, and the other two were more than 75 percent white. In these schools, 90.3 percent of the teachers were fully certified and the median level of teaching experience was 12.3 years.

Testifying before the Commission, Dr. Daniel Dodson, Director of the New York University Center for Human Relations and Community Services, stated that:

Inner-city schools have not been able to hold teaching staff. Between 1952 and 1962 almost half the licensed teachers of New York City left the system. Almost two out of every five of the 50,000 teaching personnel of New York City do not hold regular permanent licenses for the assignments they have.

In another school system in one of the large cities, it was reported of one inner-city school that of 84 staff members, 41 were temporary teachers, 25 were probationaries and 18 were tenure teachers. However, only one of the tenure teachers was licensed in academic subjects.
U.S. Commissioner of Education Harold Howe testified that many teachers are unprepared for teaching in schools serving disadvantaged children, "have what is a traumatic experience there and don't last." Moreover, the more experienced teachers normally select schools in white neighborhoods, thereby relegating the least experienced teachers to the disadvantaged schools. This process reinforces the view of ghetto schools as inferior.

As a result, teachers assigned to these schools often begin with negative attitudes toward the students and their ability and willingness to learn. These attitudes are aggravated by serious discipline problems, by the high crime rates in areas surrounding the schools, and by the greater difficulties of teaching students from disadvantaged backgrounds. Reflecting these conditions, the Coleman Report found that a higher proportion of teachers in schools serving disadvantaged areas are dissatisfied with their present assignments and with their students than are their counterparts in other schools.13

Studies have shown that the attitudes of teachers toward their students have very powerful impacts upon educational attainment. The more teachers expect from their students—however disadvantaged those students may be—the better the students perform. Conversely, negative teacher attitudes act as self-fulfilling prophecies: the teachers expect little from their students; the students fulfill the expectation. As Dr. Kenneth Clark observed: "Children who are treated as if they are uneducable invariably become uneducable." 14

In disadvantaged areas, the neighborhood school concept tends to concentrate a relatively high proportion of emotionally disturbed and other problem children in the schools. Disadvantaged neighborhoods have the greatest need for health personnel, supplementary instructors, and counselors to assist family problems, provide extra instruction to lagging students and deal with the many serious mental and physical health deficiencies that occur so often in poverty areas.

These conditions, which make effective teaching more difficult, reinforce negative teacher attitudes. A 1963 survey of Chicago public schools showed that the condition creating the highest amount of dissatisfaction among teachers was lack of adequate provision for the treatment of maladjusted, retarded, and disturbed pupils. About 79 percent of elementary school teachers and 67 percent of high school teachers named this item as a key factor. The need for professional support for teachers in dealing with these extraordinary problems is seldom, if ever, met.

Although special schools or classes are available for emotionally disturbed and mentally handicapped children, many pupils requiring such help remain in regular classes because of negligence, red tape, or unavailability of clinical staff. An example is provided by a National Education Association study of Detroit: 15

Before a disturbed child can receive psychological assistance, he must receive diagnostic testing. But before this happens, the teacher must fill in a form ** to be submitted ** to a central office committee **. If the committee decides that psychological testing is in order, the teacher must fill out a second form ** to be submitted to the psychological clinic. The child may then be placed on the waiting list for psychological testing. The waiting period may last for several weeks, several months, or several years. And while he waits, he "sits in" the regular classroom **. Since visiting teachers are scarce and special classes insufficient in number, the child who has been tested is usually returned to the regular classroom to serve more time as a "fit-in."

Teaching in disadvantaged areas is made more difficult by the high rate of student turnover. In New York City during 1963–64, seven of every 10 students in the average segregated Negro-Puerto Rican elementary school either entered or left during the year.16 Similar conditions are common to other inner-city schools. Continuity of education thus becomes exceedingly difficult—the more so because many of the students entering ghetto schools during the school year come from rural southern schools and are behind even the minimum levels of achievement attained by their fellow northern-born students.

Enrollments

In virtually every large American city, the inner-city schools attended by Negroes are the most overcrowded. We have cited the vast population exchange—relatively affluent whites leaving the city to be replaced by Negroes—which has taken place over the last decade. The impact on public education facilities has been severe.

Despite an overall decrease in the population of many cities, school enrollment has increased. Over the last 15 years, Detroit has lost approximately 20,000 to 30,000 families. Yet during that same period the public school system gained approximately 30,000 to 60,000 children. Between 1961 and 1965, Detroit's Negro public school enrollment increased 31,108, while white enrollment dropped 23,748. In Cleveland, between 1950 and 1965, a population loss of 130,000 coincided with a school enrollment increase of 50,000 students. Enroll-


14The comparable rate in the white schools was four of 10.
ment gains in New York City and Chicago were even larger.

Although of lesser magnitude, similar changes have occurred in the public school systems of many other large cities. As white students withdraw from a public school, they are replaced by greater numbers of Negro students—reflecting the fact that the Negro population is relatively younger, has more children of school age, makes less use of private schools, and is more densely concentrated than the white population.

As a result, Negro school enrollments have increased even more rapidly than the total Negro central-city population. In Cincinnati, for example, between 1960 and 1965 the Negro population grew 16 percent while Negro public school enrollment increased 26 percent.¹⁷ The following data for four other cities illustrate how the proportion of Negroes in public schools has outgrown the Negro proportion of the total city population:¹⁸

<table>
<thead>
<tr>
<th>NEGRO POPULATION AND PUBLIC SCHOOL ENROLLMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negro percent of population</td>
</tr>
<tr>
<td>--------------------------------</td>
</tr>
<tr>
<td>1959</td>
</tr>
<tr>
<td>Atlanta</td>
</tr>
<tr>
<td>Milwaukee</td>
</tr>
<tr>
<td>Oakland</td>
</tr>
<tr>
<td>Washington</td>
</tr>
</tbody>
</table>

Negroes now comprise a majority or near majority of public school students in seven of the 10 largest American cities, as well as in many other cities. The following table illustrates the percentage of Negro students for the period 1965–1966 in the public elementary schools of 42 cities, including the 28 largest, 17 of which have Negro majorities:

<table>
<thead>
<tr>
<th>PROPORTION OF NEGRO STUDENTS IN TOTAL PUBLIC ELEMENTARY SCHOOL ENROLLMENT: 1965-66</th>
</tr>
</thead>
<tbody>
<tr>
<td>City</td>
</tr>
<tr>
<td>---------------------------------------------</td>
</tr>
<tr>
<td>Washington, D.C.</td>
</tr>
<tr>
<td>Chester, Pa.</td>
</tr>
<tr>
<td>Wilmington, Del.</td>
</tr>
<tr>
<td>Newark</td>
</tr>
<tr>
<td>New Orleans</td>
</tr>
<tr>
<td>Richmond</td>
</tr>
<tr>
<td>Baltimore</td>
</tr>
<tr>
<td>East St. Louis</td>
</tr>
<tr>
<td>St. Louis</td>
</tr>
<tr>
<td>Gary</td>
</tr>
<tr>
<td>Philadelphia</td>
</tr>
<tr>
<td>Detroit</td>
</tr>
<tr>
<td>Atlanta</td>
</tr>
<tr>
<td>Cleveland</td>
</tr>
<tr>
<td>Chicago</td>
</tr>
<tr>
<td>Oakland</td>
</tr>
<tr>
<td>New Haven</td>
</tr>
<tr>
<td>Hartford</td>
</tr>
<tr>
<td>Kansas City</td>
</tr>
<tr>
<td>Source: U.S. Commission on Civil Rights, &quot;Racial Isolation in the Public Schools.&quot;¹⁷</td>
</tr>
</tbody>
</table>

Because this rapid expansion of Negro population has been concentrated in segregated neighborhoods, ghetto schools have experienced acute overcrowding. Shortages of textbooks and supplies have developed. Double shifts are common; hallways and other nonclassroom space have been adapted for class instruction; and mobile classroom units are used. Even programs for massive construction of new schools in Negro neighborhoods cannot always keep up with increased overcrowding.

From 1951 to 1963, the Chicago Board of Education built 256 new schools or additions, mainly in all-Negro areas. Yet a special committee studying the schools in 1964 reported that 40 percent of the Negro elementary schools had more than 35 students per available classroom, as compared to 12 percent of the primarily white elementary schools. Of the eight Negro high schools, five had enrollments over 50 percent above designed capacity. Four of the 10 integrated high schools, but only four of the 26 predominantly white high schools, were similarly overcrowded. Comparable conditions prevail in many other large cities.

The Civil Rights Commission found that two-thirds of the predominantly Negro elementary schools in Atlanta were overcrowded. This compared with 47 percent of the white schools. In 1965, all Atlanta Negro high schools were operating beyond their designed capacity; only one of three all-white high schools and six of eight predominantly white schools were similarly overcrowded.¹⁹

Washington, D.C., elementary schools with 80–100 percent Negro enrollments operated at a median of 115 percent of capacity. The one predominantly white high school operated at 92.3 percent, an integrated high school at 101.1 percent, and the remaining schools—all predominately Negro—at 108.4 percent to 127.1 percent of capacity.

Overcrowded schools have severe effects on education, the most important of which is that teachers are forced to concentrate on maintaining classroom discipline, and thus have little time and energy to perform the primary function—educating the students.

Facilities and Curricula

Inner-city schools are not only overcrowded; they also tend to be the oldest and most poorly equipped.

In Detroit, 30 of the school buildings still in use in these areas were dedicated during the administration of President Grant.²⁰ In Cincinnati, although from

³⁷ Cincinnati report for U.S. Commission on Civil Rights, pp. 8–9, 11.

³⁸ Figures for Atlanta, Milwaukee, and Oakland are from

the Bureau of the Census and their reports to the Civil Rights Commission: Atlanta, pp. 2–3, 25; Milwaukee, pp. 19, 37, 42; Oakland, pp. 11–15A. Washington figures are from the District of Columbia Board of Education.

²⁰ Atlanta report for Civil Rights Commission, pp. 32–34.

²¹ Testimony of Norman Drachler, Superintendent of Schools, Detroit.
1950 to 1965 Negro student population expanded at a faster pace than white, most additional school capacity planned and constructed was in predominately white areas. According to a Civil Rights Commission report on Cincinnati, the added Negro pupil population was housed, for the most part, in the same central-city schools vacated by the whites.21

With respect to equipment, the Coleman Report states that, "Negro pupils have fewer of some of the facilities that seem most related to achievement: They have less access to physics, chemistry, and language laboratories; there are fewer books per pupil in their libraries; their textbooks are less often in sufficient supply." 22

The quality of education offered by ghetto schools is diminished by use of curricula and materials poorly adapted to the life-experiences of the students. Designed to serve a middle-class culture, much educational material appears irrelevant to the youth of the racial and economic ghetto. Until recently, few texts featured any Negro personalities. Few books used or courses offered reflected the harsh realities of life in the ghetto, or the contribution of Negroes to the country's culture and history. This failure to include materials relevant to their own environment has made students skeptical about the utility of what they are being taught. Reduced motivation to learn results.

**Funds**

Despite the overwhelming need, our society spends less money educating ghetto children than children of suburban families. Comparing the per capita education costs for ghetto and suburban schools—one educator, in testimony before this Commission, said:

> If the most educated parents with the highest motivated children find in their wisdom that it costs $1,500 per child per year to educate their children in the suburbs, isn't it logical that it would cost an equal amount to educate the less well motivated, low-income family child in the inner city? Such cost would just about double the budget of the average inner-city school system.23

Twenty-five school boards in communities surrounding Detroit spent up to $500 more per year to educate their children than the city. Merely to bring the teacher/pupil ratio in Detroit in line with the state average would require an additional 1,650 teachers an an annual cost of approximately $13 million.24

There is evidence that the disparity in educational expenditures for suburban and inner-city schools has developed in parallel with population shifts. In a study of 12 metropolitan areas, the Civil Rights Commission found that, in 1950, 10 of the 12 central cities spent more per pupil than the surrounding suburbs; by 1964, in seven of the 12, the average suburb spent more per pupil than the central city.25

This reversal reflects the declining or stagnant city tax base, and increasing competition from nonschool needs (police, welfare, fire) for a share of the municipal tax dollar. Suburbs, where nonschool needs are less demanding, allocate almost twice the proportion of their total budgets to education as the cities.26

State contributions to city school systems have not had consistent equalizing effects. The Civil Rights Commission found that, although state aid to city schools has increased at a rate proportionately greater than for suburban schools, states continue to contribute more per pupil to suburban schools in seven of the 12 metropolitan areas studied. The following table illustrates the findings:

<table>
<thead>
<tr>
<th>Place</th>
<th>Amount per pupil</th>
<th>Percent increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1950</td>
<td>1964</td>
</tr>
<tr>
<td>Baltimore City</td>
<td>$171</td>
<td>40.8</td>
</tr>
<tr>
<td>Suburbs</td>
<td>201</td>
<td></td>
</tr>
<tr>
<td>Birmingham City</td>
<td>$123.3</td>
<td></td>
</tr>
<tr>
<td>Suburbs</td>
<td>135</td>
<td></td>
</tr>
<tr>
<td>Boston City</td>
<td>127.7</td>
<td></td>
</tr>
<tr>
<td>Suburbs</td>
<td>135</td>
<td></td>
</tr>
<tr>
<td>Buffalo City</td>
<td>110.4</td>
<td></td>
</tr>
<tr>
<td>Suburbs</td>
<td>125</td>
<td></td>
</tr>
<tr>
<td>Chattanooga City</td>
<td>119.4</td>
<td></td>
</tr>
<tr>
<td>Suburbs</td>
<td>142</td>
<td></td>
</tr>
<tr>
<td>Chicago City</td>
<td>154</td>
<td>266.6</td>
</tr>
<tr>
<td>Suburbs</td>
<td>154</td>
<td></td>
</tr>
<tr>
<td>Cincinnati City</td>
<td>142</td>
<td></td>
</tr>
<tr>
<td>Suburbs</td>
<td>142</td>
<td></td>
</tr>
<tr>
<td>Cleveland City</td>
<td>154</td>
<td></td>
</tr>
<tr>
<td>Suburbs</td>
<td>154</td>
<td></td>
</tr>
<tr>
<td>Detroit City</td>
<td>154</td>
<td></td>
</tr>
<tr>
<td>Suburbs</td>
<td>154</td>
<td></td>
</tr>
<tr>
<td>New Orleans City</td>
<td>123</td>
<td></td>
</tr>
<tr>
<td>Suburbs</td>
<td>123</td>
<td></td>
</tr>
<tr>
<td>St. Louis City</td>
<td>123</td>
<td></td>
</tr>
<tr>
<td>Suburbs</td>
<td>123</td>
<td></td>
</tr>
<tr>
<td>San Francisco City</td>
<td>123</td>
<td></td>
</tr>
<tr>
<td>Suburbs</td>
<td>123</td>
<td></td>
</tr>
</tbody>
</table>

Source: US Commission on Civil Rights, "Racial Isolation in the Public Schools."

Federal assistance, while focused on the inner-city schools, has not been at a scale sufficient to remove this disparity. In the 1963–66 school year, Federal aid accounted for less than 8 percent of total educational expenditures. Our survey of Federal programs in Detroit, Newark, and New Haven during the school year 1967–68 found that a median of approximately half the eligible school population is receiving assistance under Title I of the Elementary and Secondary Education Act (ESEA).27

21 Cincinnati report for the Civil Rights Commission, pp. 21–25.
22 Coleman Report, pp. 9–12.
23 Testimony of Dr. Dodson.
24 Testimony of Norman Drachler, Superintendent of Schools, Detroit.
25 "Racial Isolation in the Public Schools," p. 27.
Community-School Relations

Teachers of the poor rarely live in the community where they work and sometimes have little sympathy for the life styles of their students. Moreover, the growth and complexity of the administration of large urban school systems has compromised the accountability of the local schools to the communities which they serve, and reduced the ability of parents to influence decisions affecting the education of their children. Ghetto schools often appear to be unresponsive to the community, communication has broken down, and parents are distrustful of education officials.

The consequences for the education of students attending these schools are serious. Parental hostility to the schools is reflected in the attitudes of their children. Since the needs and concerns of the ghetto community are rarely reflected in educational policy formulated on a citywide basis, the schools are often seen by ghetto youth as irrelevant.

On the basis of interviews of riot-area residents in Detroit, Dr. Charles Smith, of the U.S. Office of Education's comprehensive elementary and secondary education program, testified that "[O]ne of the things that came through very clearly to us is the fact that there is an attitude which prevails in the inner city that says in substance we think education is irrelevant."

Dr. Dockson explained this phenomenon as follows:

This divergence of goals [between the dominant class and ghetto youth] makes schools irrelevant for the youth of the slum. It removes knowledge as a tool for groups who are deviant to the ethos of the dominant society. It tends to destroy the sense of self-worth of minority background children. It breeds apathy, powerlessness, and low self-esteem. The majority of ghetto youth would prefer to forgo the acquisition of knowledge if it is at that cost. One cannot understand the alienation of modern ghetto youth except in the context of this conflict of goals.

The absence of effective community-school relations has deprived the public education system of the communication required to overcome this divergence of goals. In the schools, as in the larger society, the isolation of ghetto residents from the policy-making institutions of local government is adding to the polarization of the community and depriving the system of its self-rectifying potential.

Ghetto Environment

All of the foregoing factors contribute substantially to the poor performance of ghetto schools. Inadequate and inefficient as these schools are, the failure of the public education system with respect to Negro students cannot be appraised apart from the constant and oppressive ghetto environment.

The interaction of the ghetto environment and the schools is described in the following testimony of Superintendent Briggs of Cleveland:

But what about the child of the ghetto? It is he whom we must save for we cannot afford to lose this generation of young Americans.

If this child of despair is a young adult, there is a better than 50 percent chance that he is a high school dropout. He is not only unemployed, but unemployable, without a salable skill. Neither of his parents went beyond the eighth grade. Preschool or nursery school was out of the question when he was four, and when he was five he was placed on a kindergarten waiting list. . . . At six he entered school; but could only attend for half a day because of the big enroll went on a field trip. The family moved often, seeking more adequate housing for the six children. When he got to high school he wanted vocational training, but none was available.

The family was on relief and he couldn't afford a good lunch at noon because Cleveland schools at that time were not participating in the Federal hot lunch program and the average cost of lunches amounted to 70 cents.

Of his few friends who were graduated from high school none had found jobs and they couldn't afford to go to college.

Here he is now, discouraged and without hope—economically incompetent at a time in life when, traditionally, young Americans have entered the economic mainstream as job holders.

A younger brother, age 9, is now in the fourth grade. He attends a new school, opened in 1964. Though he lives one mile from Lake Erie, he has never seen it. He has never taken a bus ride, except when his class at school went on a field trip. The family still does not subscribe to a daily newspaper. The television set is broken and there is no money to have it repaired. His mother has never taken him downtown shopping.

He has never been in the office of a dentist and has seen a physician only at the local clinic when he was injured playing in an abandoned house in the neighborhood.

At home there are no books. His toys, if any, are second-hand. His shoes are too small and his sweat shirt, bought for 25 cents at a rummage sale, bears the insignia of a suburban school system.

Each morning he looks forward anxiously to the free milk he gets at school because there is no breakfast at home.

He can't study well at home because of the loud blare of rock-and-roll music from the bar up the street. There are nine bars in his rather compact neighborhood. . . .

The screaming police siren is a very familiar sound to him for he hears it regularly in his neighborhood, where the crime rate is Cleveland's highest.

These boys both have better than average intelligence but they are the victims of neglect and are lost in the maze of statistics. Their plight and that of thousands like them in America's ghettos can certainly be considered the most pressing unattended business on America's agenda.

Basic Strategies

To meet the urgent need to provide full equality of educational opportunity for disadvantaged youth, we recommend pursuit of the following strategies:
Increasing Efforts to Eliminate de jure Segregation.

We have cited the extent of racial isolation in our urban schools. It is great and it is growing. It will not easily be overcome. Nonetheless, we believe school integration to be vital to the wellbeing of this country.

We base this conclusion not on the effect of racial and economic segregation on achievement of Negro students, although there is evidence of such a relationship; nor on the effect of racial isolation on the even more segregated white students, although lack of opportunity to associate with persons of different ethnic and socioeconomic backgrounds surely limits their learning experience.

We support integration as the priority education strategy because it is essential to the future of American society. We have seen in this last summer's disorders the consequences of racial isolation, at all levels, and of attitudes toward race, on both sides, produced by three centuries of myth, ignorance, and bias. It is indispensable that opportunities for interaction between the races be expanded. "The problems of this society will not be solved unless and until our children are brought into a common encounter and encouraged to forge a new and more viable design of life."

\[\text{Testimony of Dr. Dodson.}\]

 Provision of Quality Education for Ghetto Schools.

We recognize that the growing dominance of pupils from disadvantaged minorities in city school populations will not soon be reversed. No matter how great the effort toward desegregation, many children of the ghetto will not, within their school careers, attend integrated schools.

If existing disadvantages are not to be perpetuated, we must improve dramatically the quality of ghetto education. Equality of results with all-white schools in terms of achievement must be the goal.

We see no conflict between the integration and quality education strategies we espouse. Commitment to the goal of integrated education can neither diminish the reality of today's segregated and unequal ghetto schools nor sanction the tragic waste of human resources which they entail.

Far from being in conflict, these strategies are complementary. The aim of quality education is to compensate for and overcome the educational handicaps of disadvantaged children. The evidence indicates that integration, in itself, does not wholly achieve this purpose. Assessing his report in light of interpretation by others of its findings, Dr. Coleman concludes that:

*Head Start enrollee, District of Columbia, 1966*
* * * it is also true that even in socially or racially integrated schools a child's family background shows a very high relation to his performance. The findings of the [Coleman] Report are quite unambiguous on this score. Even if the school is integrated, the heterogeneity of backgrounds with which children enter school is largely preserved in the heterogeneity of their performance when they finish. As the Report indicates, integration provides benefits to the underprivileged. But it takes only a small step toward equality of educational opportunity.\(^\text{16}\)

Moreover, most large integrated schools retain a form of ability grouping, normally resulting in segregation along racial lines. The Civil Rights Commission found that "many Negro students who attend majority-white schools in fact are in majority-Negro classrooms.\(^\text{17}\)

In short, compensatory education is essential not only to improve the quality of education provided in segregated ghetto schools, but to make possible both meaningful integration and maximum achievement in integrated schools.

Attainment of this goal will require adoption of a comprehensive approach designed to reconstruct the ghetto child's social and intellectual environment, compensate for disadvantages already suffered and provide necessary tools for development of essential literacy skills. This approach will entail adoption of new and costly educational policies and practices beginning with early childhood and continuing through elementary and secondary schools. It will require extraordinary efforts to reconnect parents with the schools. It will also require unique experimentation with new methods to bring back into the educational process street-oriented teenagers and subteenagers who have lost all connection with existing school institutions.

- **Improving Community-School Relations.**

  In an atmosphere of hostility between the community and the schools, education cannot flourish. A basic problem stems from the isolation of the schools from the other social forces influencing youth. Changes in society—mass media, family structure, religion—have radically altered the role of the school. New links must be built between the schools and the communities they serve. The schools must be related to the broader system which influences and educates ghetto youth.

  Expansion of opportunities for community and parental participation in the school system is essential to the successful functioning of the inner-city schools.

- **Expanding Opportunities for Higher and Vocational Education.**

  To increase the relevance of education to the needs and aspirations of disadvantaged youth and to prepare them for full participation in American society,


\(^{17}\) "Racial Isolation in the Public Schools," p. 162.

Typing class, new vocational school, Atlanta, 1968

we recommend expanding opportunities both for higher education and for vocational training.

**Suggested Programs**

- **Increasing Efforts to Eliminate De Facto Segregation.**

  Increased aid to school systems seeking to eliminate de facto segregation either within the system or in cooperation with neighboring school systems. Local school boards have experimented with a variety of techniques designed to accomplish desegregation. Among those commonly employed are school pairing, busing, open enrollment, boundary changes, strategic use of site selection, enlargement of attendance areas, and consolidation of schools to overcome racial imbalance. The results have not been uniform. Much appears to depend on the size and racial composition of the city and the attitudes of its suburbs.

  Some of the smaller cities have achieved considerable success. In many of our larger cities, however, the population shift earlier described has proceeded so far that integration is not feasible without the active cooperation of suburban communities. In others, distances between white and Negro populations within city boundaries make these methods of accomplishing integration unfeasible. While each community should determine the appropriate desegregation technique, we believe substantial Federal assistance should be provided.

  **Title IV.** Under Title IV of the Civil Rights Act of 1964, the U.S. Commissioner of Education is authorized to provide "technical assistance to [state and local education agencies] in the preparation, adoption, and implementation of plans for the desegregation of public schools." However, such aid is not available in support of locally designed programs to overcome racial imbalance in the schools. Moreover, this program has never been adequately funded, even to accomplish its limited objectives. Applications for Title IV funds have consistently exceeded the amounts
requested by the administration and the far lower sums appropriated by the Congress.

We believe that the Title IV program should be re-oriented and expanded into a major Federal effort to provide comprehensive aid to support state and local desegregation projects.

To accomplish this purpose, Title IV should become the vehicle for a comprehensive Federal construction, technical assistance and operating grant program. Successful implementation will require repeal of the present statutory prohibition against provision of assistance to support and encourage desegregation through "assignment of students to public schools in order to overcome racial imbalance." To stimulate planning, formulation of long-term integration plans by applicant state and local agencies should be required as a condition to receiving assistance. Title IV aid would be available only for projects which promote integrated education in accordance with such plans.

Bonus Support. As an additional incentive to integration, the Title IV program might well be modified to provide substantially increased support upon attainment of specified levels of racial integration. Such bonus assistance should be large enough to enable each recipient school to attain a clearly superior quality of education in comparison with nonintegrated schools.

Exemplary Schools. The Title IV program should stimulate development of exemplary city or metropolitan schools offering special courses and programs designed to attract, on a voluntary basis, students of varying racial and socioeconomic backgrounds on a full-or part-time basis. These model programs should make extensive and imaginative use of resources uniquely available to city schools—the city itself, its museums, galleries, governmental institutions, and other public and private facilities.

To the extent that the quality of city schools influences migration to the suburbs, development of exemplary schools could operate to retain middle-class white families in the city and induce others to return, thereby increasing opportunities for integration. Through educational planning on a metropolitan basis, fostered by direct federal grants to cooperative planning bodies encompassing city and suburban school districts, opportunities for engaging central-city and suburban students in common educational experiences can be provided.

Specific methods of providing integrated educational experiences under this program could include the following:

- Establishment of major educational magnet schools: Depending upon the size and racial character of the city and its suburbs, these schools could serve all the students of a small city, students living in different sections of a large city or subdivisions of a metropolitan area. Special curricula could include intensive instruction or specialized educational programs (for example, science or commerce).

- Establishment of supplemental education centers: These centers would offer specialized facilities and instruction to students from different schools for a portion of the school day. It is most important that courses be developed and scheduled to provide racially integrated educational experiences.

Educational Parks. Such a reoriented Title IV program could provide support, including construction funds, for communities choosing to develop the promising but costly educational parks now under consideration in several cities.

As contrasted with the magnet schools and supplementary centers described above, educational parks would consolidate or cluster existing schools, thereby broadening attendance areas to bring within the school zone a racially and economically heterogeneous population. These parks could be developed in conjunction with metropolitan plans to serve students from the suburbs, as well as the city. Their location should be selected to accomplish this objective.

Because of the economies of size made possible through consolidation, the quality of education offered educational-park students could be improved. Problems raised by the size of such institutions could be overcome through inclusion of smaller subunit schools and individualized instruction made feasible by educational technology (computers, television) and savings resulting from the school consolidation program.

Eliminating discrimination in Northern schools. While racial isolation in the urban public schools results largely from residential segregation, there is evidence that racial discrimination also plays a part in reducing opportunities for integration.

For example, the Civil Rights Commission found that, when crowding in certain Cleveland and Milwaukee Negro schools became acute, school authorities began busing students to nearby under-utilized white schools, where they were segregated in separate classrooms and separate luncheon facilities. When Negro residents objected, school officials in Milwaukee canceled busing altogether as "educationally undesirable," even though white students had been bused and integrated into receiving school classrooms for years. In Cincinnati, to relieve overcrowding in a Negro school, students were bused past several nearby white schools with available space to a 98 percent Negro school, 5.5 miles away.

The Civil Rights Commission also reported that in many cities school attendance boundaries and location of new schools have been designed to perpetuate racial segregation.

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8 Limited funds have been provided for this purpose under Title III of the Elementary and Secondary Education Act (ESEA). This aspect of the Title III program could be used to supplement the Title IV program here proposed or could be discontinued, releasing limited ESEA funds for other purposes.
Title VI. Under Title VI of the Civil Rights Act of 1964, the Congress prohibited Federal financial aid to any program or activity which practices racial discrimination.

Federal law requires that Title VI be applied uniformly in all states. Implementing this provision, the Department of Health, Education and Welfare has recently instituted a survey to examine compliance with Title VI in school districts of all 50 states. The Department has made clear that its investigation is not directed at de facto segregation arising from reasonable application of neighborhood attendance policies.

We support this effort and urge that it be followed by vigorous action to assure full compliance with Federal law in all sections of the country. Sufficient staff and resources should be provided HEW, so that this program can be effectively carried out without reducing the Title VI effort in the South.

- Providing Quality Education in Ghetto Schools.

Improving the Quality of Teaching in Ghetto Schools. The teaching of disadvantaged children requires special skills and capabilities. Teachers possessing these qualifications are in short supply. We need a national effort to attract to the teaching profession well-qualified and highly motivated young people and to equip them to work effectively with disadvantaged students.

The Teacher Corps program is a sound instrument for such an effort. Established by the Higher Education Act of 1965, it provides training in local colleges or universities for college graduates interested in teaching in poverty areas. Corpsmen are assigned to poverty area schools at the request of local school systems and with approval of state educational agencies. They are employed by the school system and work in teams headed by experienced teachers.

The National Advisory Council on the Education of Disadvantaged Children, and the National Education Association found that the Teacher Corps succeeded in attracting dedicated young people to the teaching profession, training them to teach effectively in poverty areas, and making substantial contributions to the education of students.

The impact of this highly promising program has been severely restricted by limited and late funding. There are now only 1,406 interns and 330 team leaders in the entire nation. The Teacher Corps should be expanded into a major national program.

The Education Professions Development Act ("EPDA") provides grants and fellowships to attract qualified persons to the field of education, and improve the ability of teachers through advanced training and retraining. The Act also provides funds for institutes and workshops for other educational personnel, including guidance counselors, social workers, teacher aides and administrators. Finally, EPDA offers grants to local educational agencies experiencing critical shortages of teachers and teacher aides.

We recommend that the EPDA program focus on the special need for expanding the supply and improving the quality of teachers working in schools serving disadvantaged students and that it be substantially funded.

Concomitantly, teacher training institutions should place major emphasis on preparing teachers for work in schools serving disadvantaged children. Courses should familiarize teacher candidates with the history, culture and learning problems of minority group pupils.

Class work alone, however, cannot be expected adequately to equip future teachers of disadvantaged children. Intensive in-service training programs designed to bring teacher candidates into frequent and sustained contact with inner-city schools are required. Other professionals and nonprofessionals working in ghetto-related activities—social workers, street workers—could be included as instructors in teacher training programs.

Year-Round Education for Disadvantaged Students. The present, anachronistic practice of releasing hundreds of thousands of children from a relatively full school schedule to idleness in the summer months is both a substantial factor in producing disorders and a tragic waste of time and facilities. Financing should be provided, through ESEA, for large-scale, year-round educational programs in the disadvantaged areas of our cities. The testimony before this Commission, including that of Cabinet members and public educators, was unanimous in its support of this proposal.

What is needed is not 12 months of the same routine, but innovative programs tailored to total educational needs, and providing a wide range of educational activities (verbal skills, culture and arts, recreation, job training, work experience and camps).

Planning on a 12-month basis will be required. ESEA assistance should be provided through a single grant program (rather than separate 10-month and summer grants) and conditioned on development of year-round educational plans. Technical assistance should be made available for such planning.

As a step toward year-round education, Federal funds should be made available for school and camp programs this summer.

The National Advisory Council on Education of Disadvantaged Children studied summer programs established with ESEA funds and found that they offer special opportunities for new approaches to teaching disadvantaged children.

Summer camp programs offer significant educational and recreational opportunities and should be encouraged. Educational components, particularly verbal-
skills projects, should be incorporated. It is essential that Federal aid for such projects be committed well before the end of this school year, so that adequate time to design effective programs is available.

*Early Childhood Education.* Early childhood education is the very heart of the effort to reconstruct the environment which incapacitates disadvantaged children educationally; even before they enter the school system. Comprehensive preschool programs are essential to overcome the early language deprivation and conceptual disabilities of these children. Yet no more than 40 percent of the eligible school population in most disadvantaged central-city areas is receiving even 1 year (age 4) of preschool training.

We believe that the time has come to build on the success of the Head Start and other preschool programs in order to bring the benefits of comprehensive early childhood education to all children from disadvantaged homes, and to extend the reach to younger children. For this purpose, the Office of Economic Opportunity should receive substantially increased funds.

Effective implementation of this expanded program will be vital to its success. We recommend the following guidelines:

- Early childhood education programs should provide comprehensive educational support tailored to the needs of the child, and should not be simply custodial care. Both day care and Head Start components are part of comprehensive early childhood education; each should be designed to overcome the debilitating effect of a disadvantaged environment on learning ability.

- Parents and the home environment have a critical impact on a child's early development. Early childhood programs should involve parents and the home, as well as the child. This can be accomplished through community education classes, and use of community aides and mothers' assistants. To reduce the incidence of congenital abnormalities, these community-based programs should be tied in with prenatal training.

- Since adequate facilities are scarce in many disadvantaged communities, where schools are overcrowded, and other buildings deteriorated, the program should provide funds for special early childhood education facilities.

- There is a need for maximum experimentation and variety. Funding should continue to support early childhood programs operated by community groups and organizations, as well as by the school system.

- Early childhood education programs should include provisions for medical care and food, so that the educational experience can have its intended impact.

*Improving Educational Practices -- Elementary Schools.* Without major changes in educational practices, greater expenditures on existing elementary schools serving disadvantaged neighborhoods will not significantly improve the quality of education. Moreover, current assessments of preschool programs indi-

Class on auditorium stage in overcrowded school, West Tampa, Fla., 1968
cate that their benefits are lost in the elementary grades, unless the schools themselves are improved.

We suggest adoption of the following educational practices to improve school performance:

- Extra incentives for highly qualified teachers working in ghetto and economically and culturally deprived rural area schools: The most effective means to attract such teachers is to make these schools exciting and attractive places to work. The recommended practices set forth below contribute toward this end. In addition, we suggest that opportunities for creative and imaginative teaching be expanded by allowing the teacher greater discretion in selection and presentation of materials. Such an approach is likely to produce benefits in terms of attraction and retention of excellent teachers and improved student performance. Rewards related to attainment of career objectives should be provided for teachers working in schools serving disadvantaged children. For example, all school systems should consider requiring service in such schools as a condition to advancement to administrative positions, where the experience gained would be of great value.

- Reduction in maximum class size: It is clear that disadvantaged students require more attention and exert greater demands on teacher time than middle-class students. While reduction of class size may not in itself improve pupil achievement, it will free teachers to devote more time to educating disadvantaged students. It is of vital importance, therefore, that efforts to reduce the maximum class size in schools serving disadvantaged students be coupled with programs designed to improve the skills and capacities of teachers of disadvantaged children.

- Recognition of the history, culture, and contribution of minority groups to American civilization in the textbooks and curricula of all schools: To stimulate motivation, school curricula should be adapted to take advantage of student experiences and interests.

- Provision of supplementary services in the schools for severely disadvantaged or disturbed students: Such services should be made available within the schools, rather than at centralized facilities and should include medical and psychiatric care.

- Individualized instruction through extensive use of non-professional personnel: There is impressive evidence that these workers can make a meaningful contribution by providing individualized tutoring, and incentive lacking in segregated schools.

In the Homework Helper program in New York City, pupils in the fourth through sixth grades were tutored after school by senior high school students. Tutoring was provided four afternoons a week under the supervision of a master teacher; the tutors received training on the fifth day. Initiated with a Ford Foundation grant primarily to provide employment for high school students, the program had significant educational impact on both pupils and tutors.

The Neighborhood Youth Corps and the College Work-Study programs provide the tools for reproducing this program in every major city. In some cities, NYC students are already working in these schools. But in many, NYC job assignments are far less stimulating. Colleges and universities should be encouraged to assign more students participating in the College Work-Study program to tutorial projects.

Both programs, NYC and College Work-Study, should be expanded and reoriented for this purpose.

- Intensive concentration on basic verbal skills: A basic problem in schools in large cities is the low achievement in the fundamental subjects of students from the disadvantaged areas. This has been documented in the HARYOU studies in New York, the study prepared for the McGeorge Commission following the Watts riot of 1965 and nationally in the Coleman Report. The lack of reading and writing ability affects detrimentally every other aspect of the later school program. Intensive assistance in literacy skills, including remedial assistance, should be provided in all schools serving disadvantaged children.

We recognize that the enrichment programs we recommend will be very costly. ESEA provides financial assistance for such programs, but the amounts available do not match the need. To make a significant improvement in the quality of education provided in schools serving disadvantaged children, ESEA funding should be substantially increased from its current level.

In addition, Title I should be modified to provide for greater concentration of aid to school districts having the greatest proportion of disadvantaged students. This can be accomplished by altering the formula governing eligibility to exclude affluent school districts with less than specified minimum numbers of poor students.

Improving Educational Practices — Secondary Schools. Many of the educational practices recommended for elementary schools are applicable at the secondary level. In addition, secondary school students require extensive guidance, counseling, and advice in planning education program and future careers. Such assistance, routinely provided by middle-class families, is lacking for the ghetto student. To promote its acceptance, indigenous personnel—college students, returning Vietnam veterans—should be utilized.

The new Stay in School program, for which the President recently requested an appropriation of $30 million, could provide funds for this and other projects designed to motivate disadvantaged high school students to pursue their education. We recommend that this program be fully funded.

Intensive National Program to Increase Verbal Skills of Ghetto Residents. For the products of the ghetto schools, many of them unemployed and functionally illiterate, these efforts will come too late. To compensate for educational disadvantages already incurred, we recommend a substantial appropriation to support an intensive year-round program beginning in the summer of 1968 to improve the verbal skills of people in low-income areas, with primary emphasis on the language problems of minority groups.

The present effort simply does not match the need. Current estimates indicate that there are approximately 16,300,000 educationally disadvantaged Americans (those who have less than an 8th grade education). While exact figures are not available, it is highly likely that a disproportionate number of the educationally disadvantaged are Negroes. Census data establish that 36.9 percent of Negroes over 25 years of age, but only 14.8 percent of whites, are functionally illiterate.

The principal Federal literacy program—Adult
Basic Education—is meeting only a small fraction of this need; as of June 1966, it had provided assistance to some 375,000 people.

The adult basic education program is a sound instrument for implementing an intensive literacy program. By affording both the public schools and community-based organizations the opportunity to conduct literacy projects, this program provides desired flexibility. It should be strengthened and expanded to make a major impact on illiteracy.

To concentrate its effect where the need is greatest and the potential payoff high, we suggest that priority be given to the unemployed and underemployed and to welfare mothers. Increasing the literacy levels of these groups would eliminate a major barrier to productive employment, and improve support for education in the home.

The high school dropouts should be brought into the program by lowering the age limit from 18 to 16, as proposed by the President. Course offerings should be expanded to include matters of interest and concern to residents of low-income areas.

Expanded Experimentation, Evaluation and Research. Much remains to be learned about the most effective methods of teaching disadvantaged children in schools segregated by race and class. Research efforts should be increasingly oriented in this direction.

In addition to research, Federal support should be provided, for promising, but as yet unvalidated, experimental programs designed to involve the talents and resources of the entire community in support of education of disadvantaged children, and develop new and better educational techniques particularly adapted to the interests and needs of these students.

Among the educational approaches which we believe should be considered and evaluated are the current efforts to develop new patterns of education (such as storefront schools and street academies) for students who do not fit the traditional pattern, possible forms of cooperative education (such as the use of businesses, universities and neighborhood corporations as subcontractors for the operation of certain education programs), concentration of assistance to a few schools serving ghetto children to test the effects of a maximum compensatory education effort, development of model experimental subsystems (high school and several feeder schools to provide specialized instruction), and teaching English as a second language to ghetto students whose dialect often constitutes a first language.

Finally, there is great need to evaluate not only these experimental programs but the entire enrichment effort. The Elementary and Secondary Education Act should be amended to require recipient school systems to undertake a thorough evaluation of their compensatory education effort, as a condition to receiving ESEA funds.

- Improving Community-School Relations

Community Participation in the Educational Process Should Be Encouraged. The school systems of our largest cities have become highly centralized, with decision-making responsibility for a large and disparate population concentrated in a central board of education. While this process has produced substantial benefits—citywide tax base and nonpolitical administration—it has sometimes entailed serious sacrifices in terms of accountability and community participation. What is necessary is to preserve the worthwhile features present in the existing system while eliminating the liabilities thus far encountered. The objective must be to make public education more relevant and responsive to the community, and to increase support for it in the home.

This can be accomplished through maintaining centralized control over educational standards and the raising of revenue, while decentralizing control over other aspects of educational policy. The precise mix must be determined locally. However, specific mechanisms for seeking the advice and consultation of students and parents such as parents advisory councils or other similar bodies should be adopted.

Ghetto Schools Should Serve as Community Centers. School facilities should be available during and after normal school hours for a variety of community service functions, delivery of social services by local agencies (including health and welfare), adult and community training and education programs, community meetings, recreational and cultural activities. Decentralization and the establishment of parents advisory councils will afford the community a means through which to communicate needs for such services and to play an active role in shaping activities. In addition to making better use of the major capital investment in school plants, this approach will encourage ghetto residents to regard their schools not as alien institutions but as vital community centers.

Use of Local Residents as Teacher Aides and Tutors. We have noted the educational gains accomplished through use of local, subprofessional personnel in the schools. These workers can contribute to improved community-school relations by providing a close link between the school system and the parents.

Results of Achievement and Other Tests Should Be Made Public on a Regular Basis. To increase the accountability of the public schools, the results of their performance should be made available to the public. Such information is available in some, but not all, cities. We see no reason for withholding useful and highly relevant indices of school (but not individual student) performance and recommended that all school systems adopt a policy of full public disclosure.
Expanding Opportunities for Higher Education

By enactment of the Higher Education Act of 1965, the Congress committed this Nation to the goal of equal opportunity for higher education for all Americans, regardless of race or economic circumstance. While progress has been made, this goal, the key to virtually all managerial and professional jobs remains for the disadvantaged student an unfulfilled promise.

Mr. Harvey Oostdyk, Educational Director of the New York Urban League, testified that less than 1 percent of the youth in Harlem go to college. In the Nation, approximately 8 percent of disadvantaged high school graduates, many of whom are Negro, attend college; the comparable figure for all high school graduates is more than 50 percent.

The fundamental reasons for this disparity lie in the cost of higher education and the poor quality of elementary and secondary education available to disadvantaged minorities. In the preceding sections, we have recommended programs which we believe will ultimately eliminate these differences. But the full effect of these changes will not be felt for some years. In the interim, if we are to provide equality of opportunity for disadvantaged youth with college potential, special programs are needed.

Expansion of Upward-Bound and Establishment of Special 1-Year Postgraduate College Preparatory Schools. The Upward-Bound program of the Office of Economic Opportunity, under which students from poverty backgrounds attend intensive 6- to 8-week summer sessions on college campuses and receive special assistance throughout the school year, is designed to motivate and prepare disadvantaged youth for college. The program has been effective. Of the 23,000 students covered in 1967 (52 percent of whom were Negro), 83 percent went on to college. However, the size of the Upward Bound program is far short of the need. Estimates indicate that some 600,000 poverty-area students could usefully be included.

We believe that the Upward-Bound concept is sound and recommend that the program be substantially expanded.

Even an expanded Upward-Bound program will not compensate for the poor level of secondary school education attained by ghetto youth. We recommend that Federal funds be available for special 1-year educational programs with the function of providing college preparatory training for disadvantaged youth. These programs could be operated by community colleges or local boards of education.

Removing Financial Barriers to Higher Education. The effort to assist qualified but needy young people to obtain a higher education should be strengthened and expanded.

Through the Educational Talent Search program, the Federal Government provides financial assistance to public and nonprofit agencies to identify and encourage disadvantaged young people with college potential to enter or reenter educational programs. The President's proposed Educational Opportunity Act of 1968 would provide combined grant, work, and loan aid to poor college-bound students in need of financial assistance. Such assistance should be sufficiently flexible and substantial to accommodate the differing needs of individual students.

These programs can make an important contribution to realization of the goal set by the President in his 1968 Education Message to the Congress "that every qualified young person have all the education he wants and can absorb." If this promise is to become a reality, these programs must be funded at a level commensurate with need.

The benefit gained by increasing opportunities for disadvantaged students to seek and obtain higher education can be amplified by providing incentives for college-trained public service personnel (particularly teachers and health workers) needed to work in poverty areas. This can be accomplished by providing for the cancellation of loans at a reasonable annual rate, if the recipient works in a low-income area. Such a forgiveness feature is included in the National Defense Education Act loan program.

Expanding Opportunities for Vocational Education

Despite substantially increased efforts made possible by the Vocational Education Act of 1963, quality vocational education is still not available to all who need it. The recent report of the Advisory Council on Vocational Education, established to evaluate the Act, concluded that, although five out of six youths never achieved a college education, only a quarter of the total high school population in the country receive vocational education. Similarly, a 1964 Labor Department survey found that less than one-half of the non-trained-college-labor force had any formal preparation for the jobs they held.

Existing vocational training programs are not effectively linked to job opportunities. The Advisory
Council found “little evidence of much effort to develop programs in the areas where critical manpower shortages exist”—examples are the health occupations and technical fields.31

The special need of the dropout is still being neglected. With an unemployment rate for Negro youth more than twice that for white youth, this problem is particularly acute.

To improve the quality and expand the availability of vocational education, provision of additional funds as recommended by the Advisory Council may be required. The Federal vocational education program should be strengthened by enactment of the proposed Partnership for Learning and Earning Act of 1966.

Significant improvement of vocational education, however, will depend on the use made locally of Federal and other funds. We suggest the following guidelines:

- Inclusion of intensive literacy training: Literacy skills are obviously indispensable to productive employment. All vocational education programs should provide literacy training, either directly or in conjunction with Adult Basic Education or other programs.

- Greater emphasis on part-time cooperative education programs combining formal instruction and on-the-job training, through use of released time: The Advisory Council found that these programs, which provide students with jobs upon completion of the course, are the best available in the vocational education field. They consistently yield high placement records, high employment stability and high job satisfaction. The most important factor in improving vocational education is that training be linked to available jobs with upward mobility potential. To accomplish this goal, the active cooperation of the business community in defining job needs and effective training practices should be fully engaged. Consideration should be given to releasing students to attend pretraining Opportunities Industrialization Centers.

- Full implementation of vocational training programs for high school dropouts: The Advisory Council found that assistance available under the Vocational Education Act for the training of this group is not being adequately utilized. The need for doing so is critical.

- Elimination of barriers to full participation of ghetto youth in vocational education programs: Some vocational schools attempt to improve the quality of their student body and enhance their prestige by raising entrance requirements. This policy eliminates those in greatest need. Training should be discontinued and support for these students should be expanded.

- Followup support and assistance to ghetto youth receiving vocational training: The Advisory Council reported that “the most successful vocational programs are those which assume responsibility for placing their graduates and thus get feedback on their strengths and weaknesses.”32 Vocational education teachers should continue to provide counseling and guidance for their students until they have been successfully placed in jobs related to their training.

- Increased training to meet the critical need for more workers in professional, semi-professional and technical fields: Demand for public service workers alone exceeds supply by five to one. Preparation of disadvantaged students for these desirable positions should be intensified.

Implementation of These Programs

The Federal role.—The principal burden for funding the programs we have proposed will fall upon the Federal Government. Caught between an inadequate and shrinking tax base and accelerating demands for public expenditures, the cities are not able to generate sufficient financing. Although there is much more that state government can and should do, the taxing resources available at this level are far from adequate.

The Federal Government has recognized and responded to this need. Federal expenditures for education, training, and related services have increased from $4.7 billion in fiscal 1964 to $12.3 billion in fiscal 1969. These figures include aid for preschool, elementary, secondary and higher education, vocational education, work-training and activities not related to the education of disadvantaged students. This network of Federal educational programs provides a sound and comprehensive basis for meeting the interrelated educational needs of disadvantaged students. We need now to strengthen that base, as we have proposed, and to build upon it by providing greatly increased Federal funds for the education of the disadvantaged.

The state role.—Many states provide more support for suburban and rural schools than for inner-city education systems. Designed at a time when the suburban school systems were poorer than those in the cities, state aid formulas now operate to reinforce existing inequities.

We urge that every state reexamine its present method of allocating funds to local school districts, not merely to provide equal funds for all political subdivisions on a per-pupil basis, but to assure more per-student aid to districts having a high proportion of disadvantaged students. Only if equalization formulas reflect the need to spend larger amounts per pupil in schools predominantly populated by disadvantaged students will state aid be allocated on an equitable basis.

To assist the states in devising equalization formulas which would accomplish this objective, we recommend that the Office of Education develop prototype formulas. Federal programs should require allocation of Federal aid to education within each state in accordance with formulas which conform with the above criteria.

We recognize that virtually all school districts need more money than they now receive. Provision of expanded state aid to education may well be justified.

32 Ibid., p. 62.
Whatever the amounts may be, we believe that allocation should be made in accordance with the standards described above.

Finally, the states and, in particular, the state education agencies, have a key role to play in accomplishing school integration. The states are in a unique position to bring about urban-suburban cooperation and metropolitan planning. We urge that the efforts of state educational agencies in this area be given clear direction through adoption of state-wide, long-term integration plans, and intensified by active promotion of such plans.

The local role.—We have emphasized that more money alone will not suffice. Accomplishment of the goal of meaningful educational opportunity for all will require exercise of enlightened and courageous leadership by local government. The programs which we have proposed can succeed only if imaginative and effective use is made locally of funds provided by the Federal and state governments. Mayors, city councils, school boards and administrators must lead the community toward acceptance of policies which promote integration while improving the quality of education in existing, racially segregated schools. The cooperation of their suburban counterparts is no less essential.

This responsibility is not limited to public officials. It is shared by the private community—business and professional leaders, clergymen, and civic organizations. Attainment of the goal of equal and integrated educational opportunity will require the leadership, support, talents and energies of the entire community.

III. THE WELFARE SYSTEM

Introduction

The Commission believes that our present system of public assistance contributes materially to the tensions and social disorganization that have led to civil disorders. The failures of the system alienate the taxpayers who support it, the social workers who administer it, and the poor who depend on it. As one critic told the Commission: "The welfare system is designed to save money instead of people and tragically ends up doing neither."

The system is deficient in two critical ways:

First, it excludes large numbers of persons who are in great need, and who, if provided a decent level of support, might be able to become more productive and self-sufficient.

Second, for those who are included, it provides assistance well below the minimum necessary for a humane level of existence and imposes restrictions that encourage continued dependency on welfare and undermines self-respect.

In short, while the system is indispensable simply because for millions—mostly children—it supports basic needs, drastic reforms are required if it is to help people free themselves from poverty.

Existing welfare programs are a labyrinth of Federal, state and local legislation. Over 90 percent of national welfare payments are made through programs that are partly or largely federally funded. These reach nearly 8 million persons each month:

- 2.8 million are over 65, blind or otherwise severely handicapped.
- 3.9 million are children in the Aid for Dependent Children Program (AFDC), whose parents do not or cannot provide financial support.
- 1.3 million are the parents of children on AFDC. Of these, over one million are mothers and less than 200,000 are fathers; about two-thirds of the fathers are incapacitated. Only 60,000 fathers are in the special program called Aid To Families with Dependent Children (Unemployed Parents) (AFDC–UP) operating now in 22 states.

Among all welfare programs, AFDC and AFDC–UP have clearly the greatest impact on youths and families in central city areas; for this reason, they will be the principal focus for discussion here.

State and local governments contribute an average of about 45 percent of the cost of supporting the AFDC program, with each state setting the level of grants for its own residents. Accordingly, monthly payments vary widely from state to state. They range from $9.30 per AFDC recipient monthly in Mississippi to a high of $62.55 in New York. In fiscal year 1967, the total annual cost of the AFDC program, including Federal, state and local contributions, was approximately $2 billion, providing an average of about $36 monthly for each recipient.

This sum is well below the poverty subsistence level under almost any standard. The National Advisory Council on Public Welfare has commented:

The national average provides little more than half the amounts admittedly required by a family for subsistence; in some low-income states, it is less than a quarter of that amount. The low public assistance payments contribute to the perpetuation of poverty and deprivation that extend into future generations.

Over the last 6 years, despite the longest sustained period of economic progress in the history of this country, the AFDC caseload has risen each year while the unemployment rate has fallen. Cases increased nationally by 319,000 during fiscal year 1967 and will, under present HEW estimates, increase by another 686,000 during the fiscal year 1968. The burden of welfare and the burden of the increases will fall principally on our central cities. In New York City alone, 525,000 people receive AFDC support and 7,000 to 10,000 more
are added each month. And, it is estimated that in 1965, nationwide, over 50 percent of persons eligible to receive assistance under welfare programs were not enrolled.\textsuperscript{33}

In addition to the AFDC program, almost all states have a program of general assistance to provide minimum payments based largely or entirely on need. During calendar year 1966, the states spent $336 million on general assistance. No Federal funds have ever been available for this program. In fact, no Federal funds have ever been available for the millions of unemployed or underemployed men or women in the United States who are in need but are neither aged, severely handicapped nor the parents of minor children.

The dimensions of this "pool" of poor but unassisted individuals and families—either ineligible under present programs or eligible but unenrolled—is indicated by the fact that in 1966 there were 21.7 million non-aged persons in the United States with incomes below the poverty level as defined by the Social Security Administration. Only a third of these received assistance from major public welfare programs.

The bulk of the non-aged poor live in families where there is a breadwinner who works either every day or who had worked a part of the year, so that the picture that people have of who the poor are is quite different from an analysis of the poverty population. And what we have done in effect is to carve out, because of our categorical approach to public assistance, a certain group of people within that overall poverty population to give help to.

Seventy percent of the non-aged poor families were headed by men, and 50 percent of these held full-time jobs and 66 percent of them worked at least part of the year, so that the typical poor family is much like the typical American family, except they don't make enough money. And they have been historically excluded from the AFDC program.\textsuperscript{34}

The gaps in coverage and low levels of payments are the source of much of the long-term dissatisfaction with the system. The day-to-day administration of the system creates even sharper bitterness and dissatisfaction, because it repeatedly serves to remind recipients that they are considered untrustworthy, ungrateful, promiscuous and lazy. Among the most troublesome statutory requirements and administrative practices and regulations are the following:

First, in most states benefits are available only when a parent is absent from the home. Thus, in these states an unemployed father whose family needs public assistance in order to survive, must either abandon his family or see them go hungry. This so-called "man-in-the-house" rule was intended to prevent payments to children who have an alternative potential source of support. In fact, the rule seems to have fostered the breakup of homes and perpetuated reliance on welfare. The irritation caused by the rule is aggravated in some states by regular searches of recipients' homes to ferret out violations.

Second, until recently all amounts earned by adult welfare recipients on outside jobs, except for small allowances for expenses, were deducted directly from the welfare payments they would otherwise have received. This practice, required by Federal law, appears to have taken away from many recipients the incentive to seek part- or full-time employment. The 1967 amendments to the welfare laws permit retention of the first $30 earned by a recipient each month and one-third of all earnings above that amount. This is a start in the right direction but does not go nearly far enough. New York City has, for example, begun experimenting with a promising program that allows welfare mothers to keep the first $85 of earnings each month and a percentage of amounts above that.

Third, in most states, there is a residency requirement, generally averaging around a year, before a person is eligible to receive welfare. These state regulations were enacted to discourage persons from moving from one state to another to take advantage of higher welfare payments. In fact, they appear to have had little, if any, impact on migration and have frequently served to prevent those in greatest need—desperately poor families arriving in a strange city—from receiving the boost that might give them a fresh start.

Fourth, though large amounts are being spent on social service programs for families, children and young people, few of these programs have been effective. In the view of the Advisory Council on Public Welfare, the inadequacies in social services:

\* \* \* are themselves a major source of such social evils as crime and juvenile delinquency, mental illness, illegitimacy, multigenerational dependency, slum environments, and the widely deplored climate of unrest, alienation, and discouragement among many groups in the population.

A final example of the system's inadequacy is the brittle relationship that exists between many welfare workers and the poor. The cumulative abrasive effects of the low levels of assistance, the complicated eligibility requirements, the continuing efforts required by regulations to verify eligibility—often by means that constitute flagrant invasions of privacy—have often brought about an adversary relationship between the case worker and the recipient family. This is intensified by the fact that the investigative requirements not only force continuing confrontations but, in those states where the same worker performs both investigative and service functions, leave the worker little time to provide service.

As was stated by Lisle Carter, Assistant Secretary of Health, Education, and Welfare, in testimony before the Commission:
[We] think [it] is extremely important that welfare recipients begin to feel that the welfare worker is on their side instead of on the side of the agency. There have been statements made that the welfare workers are among the most hated persons in the ghetto, and one of the studies shows that the recipients tend to feel that what the worker says is something that cannot be challenged. Nowhere do you get the feeling that * * * the worker is there to really go to bat for recipients in dealing with the other pressures that they face in the community.

One manifestation of the tension and dissatisfaction created by the present system has been the growth of national and local welfare protest groups. Some are seeking to precipitate a national welfare crisis, in part by bringing on the welfare rolls so many new recipients that America will be forced to face the enormity of its poverty problem. Others, often composed of welfare recipients or welfare workers, seek expanded welfare programs and attack day-to-day inequities in the administration of the system.

On the other hand, many Americans who advocate better housing, better schools, and better employment opportunities for disadvantaged citizens oppose welfare programs of all kinds in the belief that they subsidize people who should be working. The fact is, as we have pointed out, that all but a small fraction of welfare recipients are disabled because of age, ill health or the need to care for their children. Even more basic is the fact that the heads of most poor families who can work are working, and are not on welfare. For both of these groups of people in need — those who cannot work and those who can and do — the problem is at least one vital respect is the same: lack of sufficient income to provide them with the kind of base on which they can begin building a path out of poverty, if not for themselves, at least for their children.

An altered and expanded welfare system, by extending support to more of those in need, by raising levels of assistance on a uniform national basis, and by eliminating demeaning restrictions, could begin to recapture the rich human resources that are being wasted by poverty.

Basic Strategies

In framing strategies to attack welfare problems, the Commission recognizes that a number of fundamental questions remain to be answered. Although many of the present inadequacies in the system can be identified, and specific changes recommended, long-term measures for altering the system are still untested.

A first strategy is to learn more about how welfare affects people and what its possibilities are for creative use. We endorse the recommendation of the Advisory Council on Public Welfare for greatly expanded research. We also commend the experimental incentive programs being carried out through the Department of Health, Education, and Welfare and the Office of Economic Opportunity, as well as the Model Cities program through which some cities hope to develop integrated programs of income supplementation, job training and education. We further commend the President's recent creation of a Commission on Income Maintenance Programs, which may provide answers to the complex problems here presented.

Despite the questions left open, we believe that many specific inadequacies in the present structure can and should be corrected.

- **The most important basic strategy we would recommend is to overhaul the existing categorical system to:**
  - (a) Provide more adequate levels of assistance on the basis of uniform national standards.
  - (b) Reduce the burden on state and local government by financing assistance costs almost entirely with Federal funds.
  - (c) Create new incentives to work and eliminate the features that cause hardship and dependency.
  - (d) Improve family-planning and other social services to welfare recipients.

- **Our longer range strategy, one for which we can offer only tentative guides, is the development of a national system of income supplementation to provide a basic floor of economic and social security for all Americans.**

Suggested Programs

**Overhauling the Present System**

To repair the defects in the existing categorical system is not simply a matter of changing one or two aspects. Major changes are needed in at least seven areas.

- **Standards of Assistance**

The Federal Government should develop a minimum income standard for individuals and families enrolled in AFDC. The standard for AFDC recipients should be at least as high as the subsistence "poverty" level periodically determined by the Social Security Administration. Only a few states now approach this "poverty" level, which is currently set at $3,353 for an urban family of four. Amending legislation should, if feasible, also permit cost of living variations among the states and within "high-cost" areas in each state.

As a critical first step toward raising assistance levels, the Commission recommends that the present provisions under which the Federal Government pays one-fifteenth of the first $18 of AFDC monthly payments be amended to provide that the Federal Government will assume the entire first $15 and the same proportion of payments beyond $15 presently applied to that above $18. Taken together with existing legislation that requires the states to maintain levels of support when Federal assistance rates are increased, the effect of this change would be to raise by over one-third the monthly welfare payments in eight states of the deep South. In Mississippi, payments would be more than doubled.
Extension of AFDC–UP

The Commission strongly urges that the temporary legislation, enacted in 1961, which extends the AFDC programs to include needy families with two unemployed parents, be made permanent and mandatory on all states and that the new Federal definition of "unemployment" be broadened. This program, which reaches the family while it is still intact, has been put into effect in only 22 states. Even in states where it has been implemented, the numbers participating have been small, partly because many states have narrowly defined the term "unemployment" and partly because the number of broken homes makes many children eligible under the regular form of AFDC.

Financing

Because the states are unable to bear substantially increased welfare costs, the Federal Government should absorb a far greater share of the financial burden than it presently does. At least two methods are worth considering to achieve this end. The first would be to rearrange payment formulas so that, even at the highest levels of payments, the Federal Government absorbs 90 percent or more of the costs. A second method would be to have the Federal Government assume 100 percent of the increment in costs that would be encountered through raising standards of assistance and rendering AFDC–UP mandatory. Under either of these approaches, the share of costs presently imposed on municipal governments should be removed to release their limited resources for other uses.

Work Incentives and Training

In three important ways, steps were taken in the 1967 amendments to the Federal Welfare Act to encourage—or compel—welfare recipients to seek employment. Each of these controversial steps had some salutary aspects but each requires substantial further attention.

(a) Job training.—The amendments provide substantially greater funds for job training. This was in principle a wise step. The amendments also, however, require the states to condition grants to "appropriate" adult welfare recipients on their willingness to submit to job training. Though the Commission agrees that welfare recipients should be encouraged to accept employment or job training, we strongly disagree with compelling mothers of small children to work or else lose welfare support. Many mothers, we believe, will want to work. A recent study of about 1,500 welfare mothers in New York City indicated that 70 percent of all mothers—and 80 percent of Negro mothers—would prefer to work than stay at home.53

(b) Day-care centers for children.—The 1967 amendments provide funds for the first time for day-care programs for children of working mothers. Further expansion is desirable to make centers an effective means of enabling welfare recipients to take advantage of training and employment opportunities. Efforts should be made to insure that centers are open in the evening and that more education features are built into center programs. State and Federal standards that prevent centers from employing subprofessional workers, including welfare recipient mothers, should be removed.

Welfare mothers themselves should be encouraged to set up cooperative centers with one or more mothers tending children of other mothers, and with welfare funds available for salaries. Such "living room" day care can only be effective if the mother taking care of the children can be paid without losing any substantial portion of her own welfare check.

(c) Retention of part of earnings.—The amendments permit an AFDC or AFDC–UP recipient to retain the first $90 of earned income monthly and one-third of the balance. Both the sums that can be kept without penalty, and the percentage of the balance that can be retained, should be raised substantially to maximize incentive to work. Some experimental programs are now going forward, but expanded efforts are needed to test different combinations and approaches. These programs should be supported at all levels of government.

Removal of Freeze on Recipients

The 1967 welfare amendments freeze, for each state, the percentage of children who can be covered by Federal AFDC grants to the percentage of coverage in that state in January, 1968. The anticipated effect of this new restriction will be to prevent Federal assistance during 1968 to 475,000 new applicants otherwise eligible under present standards. In the face of this restriction, states and cities will have to dig further into already depleted local resources to maintain current levels. If they cannot bear the increased costs, a second alternative, less feasible under existing Federal requirements, will be to tighten eligibility requirements for everyone, or reduce per capita payments. We strongly believe that none of these alternatives is acceptable, and that the freeze should be eliminated.

Restrictions on Eligibility

The so-called "man-in-the-house" rule and restrictions on new residents of states should be eliminated. Though these restrictions are currently being challenged in the courts, we believe that legislative and administrative action should be taken to eliminate them now.

Other Features of the System That Should Be Altered or Strengthened:

(a) Clear and enforceable rights.—These include prompt determinations of eligibility and rights to administrative appeal with representation by counsel. A recipient should be able to regard assistance as a right and not as an act of charity.

Applicants should be able to establish initial eligibility by personal statements or affidavits relating to their financial situation and family composition, subject to subsequent review conducted in a manner that protects their dignity, privacy and constitutional rights. Searches of welfare recipients’ homes, whether with or without consent, should be abandoned. These changes in procedures would not only accord welfare recipients the respect to which they are entitled but also release welfare workers to concentrate more of their time on providing service. Such changes would also release a substantial portion of the funds spent on establishing eligibility for the more important function of providing support.

(b) Separation of administration of AFDC and welfare programs for the disabled.—The time that welfare workers have available for the provision of services would be increased further by separating the administration of AFDC and general assistance programs from aid to the aged and physically incapacitated. The problems of these latter groups are greatly different and might better be handled, at the Federal level, through the Social Security Administration. Any such change would, of course, require that programs for the disabled and aged continue to be paid out of general funds and not impair the integrity of the Social Security Trust Fund.

(c) Special neighborhood welfare contact and diagnostic centers.—Centers to provide the full complement of welfare services should be combined into the multi-purpose neighborhood service facilities being developed by the Office of Economic Opportunity and the Department of Housing and Urban Development. Federal funds should be provided to help local welfare agencies decentralize their programs through these centers, which would include representatives of all welfare, social, rehabilitation and income-assistance services.

(d) Expansion of family planning programs.—Social workers have found that many women in poverty areas would like to limit the size of their families and are either unaware of existing birth control methods or do not have such methods available to them. Governments at all levels—and particularly the Federal—should underwrite broader programs to provide family planning information and devices to those who desire them. Through such programs, the Commission believes that a significant contribution can be made to breaking the cycle of poverty and dependency.

Toward a National System of Income Supplementation

In 1949, Senator Robert A. Taft described a system to provide a decent level of income for all citizens:

I believe that the American people feel that with the high production of which we are now capable, there is enough left over to prevent extreme hardship and maintain a minimum standard floor under subsistence, education, medical care and housing, to give to all a minimum standard of decent living and to all children a fair opportunity to get a start in life.

Such a “minimum standard of decent living” has been called for by many other groups and individuals, including the AFL-CIO, major corporate executives, and numerous civil rights and welfare organizations. The study of the new Commission on Income Maintenance Programs and the Model Cities program will be of particular importance in providing direction. We believe that efforts should be made to develop a system of income supplementation with two broad and basic purposes:

- To provide for those who can work or who do work, any necessary supplements in such a way as to develop incentives for fuller employment;
- To provide for those who cannot work and for mothers, who decide to remain with their children, a minimum standard of decent living, to prevent deprivation and aid in saving children from the prison of poverty that has held their parents.

Under this approach, then, all present restrictions on eligibility—other than need—would be eliminated. In this way, two large and important groups not covered by present Federal programs would be provided for: employed persons working at substandard hours or wages and unemployed persons who are neither disabled nor parents of minor children.

A broad system of supplementation would involve substantially greater Federal expenditures than anything now contemplated in this country. The cost will range widely depending on the standard of need accepted as the “basic allowance” to individuals and families, and on the rate at which additional income above this level is taxed. Yet if the deepening cycle of poverty and dependence on welfare can be broken, if the children of the poor can be given the opportunity to scale the wall that now separates them from the rest of society, the return on this investment will be great indeed.
IV. HOUSING

Introduction

The passage of the National Housing Act in 1934 signaled a new Federal commitment to provide housing for the Nation's citizens. Congress made the commitment explicit 15 years later in the Housing Act of 1949, establishing as a national goal, the realization of "a decent home and suitable environment for every American family."

Today, after more than three decades of fragmented and grossly under-funded Federal housing programs, decent housing remains a chronic problem for the disadvantaged urban household. Fifty-six percent of the country's nonwhite families live in central cities today, and of these, nearly two-thirds live in neighborhoods marked by substandard housing and general urban blight. For these citizens, condemned by segregation and poverty to live in the decaying slums of our central cities, the goal of a decent home and suitable environment is as far distant as ever.

During the decade of the 1950's, when vast numbers of Negroes were migrating to the cities, only 4 million of the 16.8 million new housing units constructed throughout the Nation were built in the central cities. These additions were counterbalanced by the loss of 1.5 million central-city units through demolition and other means. The result was that the number of nonwhites living in substandard housing increased from 1.4 to 1.8 million, even though the number of substandard units declined.

Statistics available for the period since 1960 indicate that the trend is continuing. There has been virtually no decline in the number of occupied dilapidated units in metropolitan areas, and surveys in New York City and Watts actually show an increase in the number of such units. These statistics have led the Department of Housing and Urban Development to conclude that while the trend in the country as a whole is toward less substandard housing, "There are individual neighborhoods and areas within many cities where the housing situation continues to deteriorate."

Inadequate housing is not limited to Negroes. Even in the central cities the problem affects two and a half times as many whites as nonwhite households. Nationally, over 4 million of the nearly 6 million occupied substandard units in 1966 were occupied by whites.

It is also true that Negro housing in large cities is significantly better than that in most rural areas—especially in the South. Good quality housing has become available to Negro city dwellers at an increasing rate since the mid-1950's when the postwar housing shortage ended in most metropolitan areas.

Nevertheless, in the Negro ghetto, grossly inadequate housing continues to be a critical problem.

Substandard, Old, and Overcrowded Structures

Nationwide, 25 percent of all nonwhites living in central cities occupied substandard units in 1960, compared to 8 percent of all whites. Preliminary Census Bureau data indicate that by 1966, the figures had dropped to 16 and 5 percent respectively. However, if "deteriorating" units and units with serious housing code violations are added, the percentage of nonwhites living in inadequate housing in 1966 becomes much greater.

In 14 of the largest U.S. cities, the proportions of all nonwhite housing units classified as deteriorating, dilapidated, or lacking full plumbing in 1960 (the latest date for which figures are available), were as follows:

<table>
<thead>
<tr>
<th>City</th>
<th>Percentage of nonwhite occupied housing units classified deteriorating, or dilapidated, 1960</th>
<th>Percentage of nonwhite occupied housing units classified deteriorating, dilapidated, or sound, but without full plumbing, 1960</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>33.8</td>
<td>42.4</td>
</tr>
<tr>
<td>Chicago</td>
<td>33.1</td>
<td>42.8</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>24.7</td>
<td>33.9</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>26.6</td>
<td>32.0</td>
</tr>
<tr>
<td>Detroit</td>
<td>27.9</td>
<td>30.1</td>
</tr>
<tr>
<td>Baltimore</td>
<td>30.5</td>
<td>31.7</td>
</tr>
<tr>
<td>Houston</td>
<td>32.1</td>
<td>36.7</td>
</tr>
<tr>
<td>Cleveland</td>
<td>29.9</td>
<td>33.9</td>
</tr>
<tr>
<td>Washington, D.C.</td>
<td>15.2</td>
<td>20.8</td>
</tr>
<tr>
<td>St. Louis</td>
<td>40.3</td>
<td>51.6</td>
</tr>
<tr>
<td>San Francisco</td>
<td>21.3</td>
<td>34.0</td>
</tr>
<tr>
<td>Dallas</td>
<td>41.3</td>
<td>45.9</td>
</tr>
<tr>
<td>New Orleans</td>
<td>41.3</td>
<td>50.2</td>
</tr>
<tr>
<td>Pittsburgh</td>
<td>49.1</td>
<td>58.9</td>
</tr>
</tbody>
</table>


Conditions were far worse than these city-wide averages in many specific disadvantaged neighborhoods. For example, a study of housing in Newark, N.J., before the 1967 disorders, showed the following situation in certain predominantly Negro neighborhoods as of 1960:

Percent of Housing Units Dilapidated or Deteriorated in Selected Areas of Newark, 1960

<table>
<thead>
<tr>
<th>Area number</th>
<th>Population</th>
<th>Percentage nonwhite</th>
<th>Percentage of all housing units dilapidated or deteriorating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>75,300</td>
<td>73.5</td>
<td>91.0</td>
</tr>
<tr>
<td>2</td>
<td>48,200</td>
<td>62.5</td>
<td>63.8</td>
</tr>
<tr>
<td>3A</td>
<td>48,300</td>
<td>74.8</td>
<td>43.1</td>
</tr>
</tbody>
</table>

These three areas contained 30 percent of the total population of Newark in 1960, and 62 percent of its nonwhite population.

The Commission carried out special analyses of 1960 housing conditions in three cities, concentrating on all Census Tracts with 1960 median incomes of under $3,000 for both families and individuals. It also analyzed housing conditions in Watts. The results showed that the vast majority of people living in the poorest areas of these cities were Negroes, and that a high proportion lived in inadequate housing:

<table>
<thead>
<tr>
<th>Item</th>
<th>Detroit</th>
<th>Washington, D.C.</th>
<th>Memphis</th>
<th>Watts area of Los Angeles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total population of study area...</td>
<td>162,375</td>
<td>97,084</td>
<td>150,827</td>
<td>49,074</td>
</tr>
<tr>
<td>Percentage of study area...</td>
<td>67.5%</td>
<td>74.5%</td>
<td>74.0%</td>
<td>87.3%</td>
</tr>
<tr>
<td>Percentage of housing units in study area</td>
<td>32.7</td>
<td>23.9</td>
<td>35.0</td>
<td>10.5</td>
</tr>
<tr>
<td>Substandard by HUD definition,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dilapidated, deteriorating or sound but</td>
<td>53.1</td>
<td>37.3</td>
<td>46.5</td>
<td>29.1</td>
</tr>
<tr>
<td>falling plumbing,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Negroes, on the average, also occupy much older housing than whites. In each of 10 metropolitan areas analyzed by the Commission, substantially higher percentages of nonwhites than whites occupied units built prior to 1939:

<table>
<thead>
<tr>
<th>Metropolitan area</th>
<th>White occupied units</th>
<th>Nonwhite occupied units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cleveland</td>
<td>33.3</td>
<td>90.6</td>
</tr>
<tr>
<td>Dallas</td>
<td>31.9</td>
<td>52.7</td>
</tr>
<tr>
<td>Detroit</td>
<td>46.7</td>
<td>86.1</td>
</tr>
<tr>
<td>Kansas City</td>
<td>56.4</td>
<td>88.9</td>
</tr>
<tr>
<td>Los Angeles-Long Beach</td>
<td>36.6</td>
<td>62.4</td>
</tr>
<tr>
<td>New Orleans</td>
<td>52.9</td>
<td>62.2</td>
</tr>
<tr>
<td>Philadelphia</td>
<td>62.0</td>
<td>90.8</td>
</tr>
<tr>
<td>Saint Louis</td>
<td>57.9</td>
<td>64.7</td>
</tr>
<tr>
<td>San Francisco-Oakland</td>
<td>53.3</td>
<td>67.6</td>
</tr>
<tr>
<td>Washington, D.C.</td>
<td>31.9</td>
<td>64.9</td>
</tr>
</tbody>
</table>

Higher Rents for Poorer Housing

Negroes in large cities are often forced to pay the same rents as whites and receive less for their money, or pay higher rents for the same accommodations.

The first type of discriminatory effect—paying the same amount but receiving less—is illustrated by data from the 1960 Census for Chicago and Detroit.

In certain Chicago census tracts, both whites and nonwhites paid median rents of $88, and the proportions paying various specific rents below that median were almost identical. But the units rented by nonwhites were typically:

- Smaller (the median number of rooms was 3.35 for nonwhites versus 3.95 for whites).
- In worse condition (36.7 percent of all nonwhite units were deteriorated or dilapidated units versus 11.6 percent for whites).
- Occupied by more people (the median household size was 3.53 for nonwhites versus 2.60 for whites).
- More likely to be overcrowded (27.4 percent of nonwhite units had 1.01 or more persons per room versus 7.9 percent for whites).

In Detroit, whites paid a median rental of $77 as compared to $76 among nonwhites. Yet 27.0 percent of nonwhite units were deteriorating or dilapidated, as compared to only 10.3 percent of all white units.

The second type of discriminatory effect—paying more for similar housing—is illustrated by data from a study of housing conditions in disadvantaged neighborhoods in Newark, N.J. In four areas of that city (including the three areas cited previously), nonwhites with housing essentially similar to that of whites paid rents that were from 8.1 percent to 16.8 percent higher. Though the typically larger size of nonwhite households, with consequent harder wear and tear, may partially justify the differences in rental, the study found that nonwhites were paying a definite “color tax” of apparently well over 10 percent on housing. This condition prevails in most racial ghettos.

The combination of high rents and low incomes forces many Negroes to pay an excessively high proportion of their income for housing. This is shown by the following chart showing the percentage of renter households paying over 35 percent of their incomes for rent in 10 metropolitan areas:

![Percentage of white and nonwhite occupied units with 1.01 or more persons per room in selected metropolitan areas](chart-url)
The high proportion of income that must go for rent leaves less money in such households for other expenses. Undoubtedly, this hardship is a major reason many Negro households regard housing as one of their worst problems.

**Discrimination in Housing Code Enforcement**

Thousands of landlords in disadvantaged neighborhoods openly violate building codes with impunity, thereby providing a constant demonstration of flagrant discrimination by legal authorities. A high proportion of residential and other structures contain numerous violations of building and housing codes. Refusal to remedy these violations is a criminal offense, one which can have serious effects upon the victims living in these structures. Yet in most cities, few building code violations in these areas are ever corrected, even when tenants complain directly to municipal building departments.

There are economic reasons why these codes are not rigorously enforced. Bringing many old structures up to code standards and maintaining them at that level often would require owners to raise rents far above the ability of local residents to pay. In New York City, rigorous code enforcement has already caused owners to board up and abandon over 2,500 buildings rather than incur the expense of repairing them. Nevertheless, open violation of codes is a constant source of distress to low-income tenants and creates serious hazards to health and safety in disadvantaged neighborhoods.

**Housing Conditions and Disorder**

Housing conditions in the disorder cities surveyed by the Commission paralleled those for ghetto Negroes generally.

Many homes were physically inadequate. Forty-seven percent of the units occupied by nonwhites in the disturbance areas were substandard.

Overcrowding was common. In the metropolitan areas in which disorders occurred, 24 percent of all units occupied by nonwhites were overcrowded, against only 8.8 percent of the white-occupied units.

Negroes paid higher percentages of their income for rent than whites. In both the disturbance areas and the greater metropolitan area of which they were a part, the median rent as a proportion of median income was over 25 percent higher for nonwhites than for whites.

The result has been widespread discontent with housing conditions and costs. In nearly every disorder city surveyed, grievances related to housing were important factors in the structure of Negro discontent.

**Poverty and Housing Deterioration**

The reasons many Negroes live in decaying slums are not difficult to discover. First and foremost is poverty. Most ghetto residents cannot pay the rent necessary to support decent housing. This prevents private builders from constructing new units in the ghettos or from rehabilitating old ones, for either action involves an investment that would require substantially higher rents than most ghetto dwellers can pay. It also deters landlords from maintaining units that are presently structurally sound. Maintenance too requires additional investment, and at the minimal rents that inner-city Negroes can pay, landlords have little incentive to provide it.

The implications of widespread poor maintenance are serious. Most of the gains in Negro housing have occurred through the turnover which occurs as part of the "filtering down" process—as the white middle class moves out, the units it leaves are occupied by Negroes. Many of these units are very old. Without proper maintenance, they soon become dilapidated, so that the improvement in housing resulting from the filtering-down process is only temporary. The 1965 New York City survey points up the danger. During the period that the number of substandard units was decreasing, the number of deteriorating units increased by 95,000.

**Discrimination**

The second major factor condemning vast numbers of Negroes to urban slums is racial discrimination in the housing market. Discrimination prevents access to many nonslum areas, particularly the suburbs, and has a detrimental effect on ghetto housing itself. By restricting the area open to a growing population, housing discrimination makes it profitable for landlords to break up ghetto apartments for denser occupancy, hastening housing deterioration. Further, by creating a "back pressure" in the racial ghettos, discrimination keeps prices and rents of older, more deteriorated housing in the ghetto higher than they would be in a truly free and open market.

**Existing Programs**

To date, Federal building programs have been able to do comparatively little to provide housing for the
This proposal can only be implemented if present subsidy programs are extended so that (a) a part of the existing housing inventory can be brought within the reach of lower income families, and (b) private enterprise can become a major factor in the low-cost housing field, both in terms of the construction capabilities of private developers and the capital of private institutional lenders.

In the sections that follow, we discuss specific programs that must be part of this expanded national effort.

- An expanded and modified below-market interest rate program.

The below-market interest rate program, which makes long-term, low-interest financing available to nonprofit and limited profit sponsors, is the best mechanism presently available for engaging private enterprise in the task of providing moderate and lower income housing.

Several limitations, however, prevent the program from providing the quantity of housing that is needed. Funding levels are inadequate to launch a national program, nonprofit sponsors are deterred by lack of seed money to finance preconstruction costs and limited profit corporations are deterred by the statutory prohibition on transfer or refinancing projects for 20 years without FHA permission.

We recommend that funding levels of the program be substantially increased. We also recommend that legislation be enacted to permit interest-free loans to nonprofit sponsors to cover pre-construction costs, and to allow limited profit corporations to sell projects to nonprofit corporations, cooperatives, or condominiums.

Though the potential of the program is great, it presently serves few truly low-income families. Current costs average $14,400 per unit, making the typical rental for a two-bedroom unit $110 per month, thereby in effect requiring a minimum annual income of $5,300. Only with rent supplements can poor families afford housing commanding rents of this amount, but the amount of rent supplement funds which can be used in such developments is limited by statute to 5 percent of the total appropriation for the rent supplement program.

In order to make below-market interest rate housing available to low as well as moderate-income families, we recommend that the 5 percent limitation be removed, and that the overall funding of rent supplements be greatly expanded. We also recommend that serious consideration be given to expanding the interest subsidy under the program in order to lower the rate for sponsors.

- An expanded and modified rent supplement program and an homeownership supplement program.

The rent supplement program offers a highly flexible tool for subsidizing housing costs, because it permits adjustment of the subsidy according to the income of the tenant. The project financing is at market rates, so that tenants who do not qualify for supplements must pay market rentals. Potentially, therefore, these developments can provide an alternative to public housing for low-income families, while still attracting middle-income families.

We believe, however, that several changes are necessary if the full potential of this program is to be realized.

First, we recommend that existing regulations restricting architectural design, imposing rigid unit cost standards, and limiting tenant income to amounts lower than required by statute be removed. These regulations diminish the attractiveness of the program to private developers, and represent a major barrier to substantial expansion of the program.

Second, the statutory limitation of rent supplements to new or rehabilitated housing should be changed to permit use of rent supplements in existing housing. In many areas, removal of the restriction would make possible a major increase of the program without requiring investment in new construction. This option must be made available if the program is to be expanded to its fullest potential.

Third, the rent supplement concept should be extended to provide homeownership opportunities for low-income families. The ambition to own one’s own home is shared by virtually all Americans, and we believe it is in the interest of the Nation to permit all who share such a goal to realize it. Home ownership would eliminate one of the most persistent problems facing low-income families in rental housing—poor maintenance by absentee landlords—and would provide many low-income families with a tangible stake in society for the first time.

The Senate Banking and Currency Committee recently approved a bill that would establish a program to pay a portion of the mortgage payments of low-income families seeking to purchase homes. As with rent supplements, subsidy payments would decrease as the purchasers’ income rose. The income limits of the program—70 percent of the below-market interest rate eligibility limits—would greatly impair its usefulness, in our opinion, and should be eliminated. With that reservation, we strongly endorse the concept, urge that such a program of ownership supplements be enacted, and recommend that it be funded on a basis that will permit its wide use in achieving the goal of 6 million units for low- and moderate-income families over the next 5 years.

- Federal write-down of interest rates on loans to private builders.

To make private loan capital available, we recommend direct Federal write-down of interest rates on
disadvantaged. In the 31-year history of subsidized Federal housing, only about 800,000 units have been constructed, with recent production averaging about 50,000 units a year. By comparison, over a period only 3 years longer, FHA insurance guarantees have made possible the construction of over 10 million middle and upper-income units.

Federal programs also have done little to prevent the growth of racially segregated suburbs around our cities. Until 1949, FHA official policy was to refuse to insure any unsegregated housing. It was not until the issuance of Executive Order 11063 in 1962 that the Agency required nondiscrimination pledges from loan applicants.

It is only within the last few years that a range of programs has been created that appears to have the potential for substantially relieving the urban housing problem. Direct federal expenditures for housing and community development have increased from $600 million in fiscal 1964 to nearly $3 billion in fiscal 1969. To produce significant results, however, these programs must be employed on a much larger scale than they have been so far. In some cases the constraints and limitations imposed upon the programs must be reduced. In a few instances supplementary programs should be created. In all cases, incentives must be provided to induce maximum participation by private enterprise in supplying energy, imagination, capital and production capabilities.

Federal housing programs must also be given a new thrust aimed at overcoming the prevailing patterns of racial segregation. If this is not done, those programs will continue to concentrate the most impoverished and dependent segments of the population into the central-city ghettos where there is already a critical gap between the needs of the population and the public resources to deal with them. This can only continue to compound the conditions of failure and hopelessness which lead to crime, civil disorder and social disorganization.

Basic Strategies

We believe the following basic strategies should be adopted:

- The supply of housing suitable for low-income families should be expanded on a massive basis.

The basic reason many Negroes are compelled to live in inadequate housing is the failure of the private market to produce decent housing at rents they can afford to pay. Programs we have recommended elsewhere are directed toward raising income levels. Yet it is obvious that in the foreseeable future there will continue to be a gap between the income of many Americans and the price of decent housing produced by normal market mechanisms. Thus, the implementation of the strategy depends on programs which not only generate more lower cost housing but also raise the rent-paying capability of low-income households.

- Areas outside of ghetto neighborhoods should be opened up to occupancy by racial minorities.

Provision of decent low-cost housing will solve only part of the problem. Equally fundamental is the elimination of the racial barrier in housing. Residential segregation prevents equal access to employment opportunities and obstructs efforts to achieve integrated education. A single society cannot be achieved as long as this cornerstone of segregation stands.

Suggested Programs

We are proposing programs in 10 areas to illustrate how we believe basic strategies we have outlined can be put into effect:

- Provision of 600,000 low- and moderate-income housing units next year, and six million units over the next 5 years.
- An expanded and modified below-market interest rate program.
- An expanded and modified rent supplement program and an ownership supplement program.
- Federal write-down of interest rates on loans to private builders.
- An expanded and more diversified public housing program.
- An expanded Model Cities program.
- A reoriented and expanded urban renewal program.
- Reform of obsolete building codes.
- Enactment of a national, comprehensive and enforceable open-occupancy law.
- Realignment of Federal housing programs to place more low and moderate-income housing outside of ghetto areas.

The supply of housing suitable for low-income families should be expanded

The Commission Recommends:

- Provision of 600,000 low- and moderate-income housing units next year and six million units over the next 5 years.

Some 6 million substandard housing units are occupied in the United States today, and well over that number of families lack sufficient income to rent or buy standard housing, without spending over 25 percent of their income and thus sacrificing other essential needs. The problem promises to become more critical with the expanded rate of family formation on the immediate horizon and the increasing need to replace housing which has been destroyed or condemned.

In our view, the dimension of the need calls for an unprecedented national effort. We believe that the Nation's housing programs must be expanded to bring within the reach of low and moderate-income families 600,000 new and existing units next year, and 6 million units over the next 5 years.
market rate loans to private construction firms for moderate-rent housing. This program would make it possible for any qualified builder to enter the moderate-rent housing field on the basis of market rate financing, provided that the project meets necessary criteria. The Federal Government would enter into a contract with the financing institution to supply the difference between the mortgage payment at the market interest rate and 20 percent of the tenant’s monthly income, to a specified maximum write-down which would make the interest rate paid by the tenant equivalent to 1 or 2 percent.

- An expanded and more diversified public housing program.

Since its establishment in 1937, the public housing program has produced only some 650,000 low-rent housing units. Insufficient funding has prevented construction of a quantity more suited to the need, and unrealistic unit-cost limitations have mandated that most projects be of institutional design and mammoth size. The resulting large concentration of low-income families has often created conditions generating great resistance in communities to new projects of this type.

We believe that there is a need for substantially more public housing, but we believe that the emphasis of the program should be changed from the traditional publicly built, slum-based, high-rise project to smaller units on scattered sites. Where traditional high-rise projects are constructed, facilities for social services should be included in the design, and a broad range of such services provided for tenants.

To achieve the shift in emphasis, we have recommended, we urge first, expansion of present programs under which public housing authorities lease existing scattered site units. Present statutory restrictions on long-term leasing should be eliminated to provide incentives for private construction and financing. Families whose incomes increase above the public housing limit should be permitted to take over the leases of their units from the housing authority.

We also urge expansion of present “turnkey” programs, under which housing authorities purchase low-rent units constructed by private builders instead of constructing the units themselves. Here too, families whose incomes rise above the public housing limits should be permitted to stay in the units at market rentals.

- An expanded Model Cities program.

The Model Cities program is potentially the most effective weapon in the Federal arsenal for a long-term, comprehensive attack on the problems of American cities. It offers a unique means of developing local priorities, coordinating all applicable government programs—including those relating to social development (e.g., education and health) as well as physical development—and encouraging innovative plans and techniques. Its “block grant” multipurpose funding feature allows the city to deploy program funds with much greater flexibility than is possible under typical categorical grant programs, and the statutory requirement that there be widespread citizen participation and maximum employment of area residents in all phases of the program promises to involve community residents in a way we think most important.

The full potential of the program can be achieved, however, only if (a) the Model Cities program is funded at a level which gives the cities an opportunity and incentive to produce significant results, and (b) the various programs which can be brought into play under Model Cities, such as urban renewal, below-market interest rate housing, and health, education and welfare programs, are independently supported at levels which permit Model Cities’ funds to be used for essentially innovative purposes. Appropriations must also be sufficient to expand coverage far beyond the 63 cities that currently are funded.

The President has recommended that $1 billion be appropriated for Model Cities. We strongly support this recommendation as a minimum start, noting that a much greater scale of funding will ultimately be necessary if the program proves successful and if it is to be made available to all the cities that require such aid.

- A reoriented and expanded urban renewal program

Urban renewal has been an extremely controversial program since its inception. We recognize that in many cities it has demolished more housing than it has erected, and that it has often caused dislocation among disadvantaged groups.

Nevertheless, we believe that a greatly expanded, though reoriented, urban renewal program is necessary to the health of our cities. Urban renewal is an essential component of the Model Cities program, and in its own right is an essential tool for any city attempting to preserve social and economic vitality. Substantially increased funding will be necessary if urban renewal is to become a reality in all the cities in which renewal is needed. A reorienting of the program is necessary to avoid past deficiencies. The Department of Housing and Urban Development has recognized this, and has promulgated policies giving top priority to urban renewal projects that directly assist low-income households in obtaining adequate housing. Projects aimed primarily at bolstering the economic strength of downtown areas, or at creating housing for upper income groups while reducing the supply of low-cost housing, will have low priority, unless they are part of balanced programs including a strong focus on needs of low-income groups.

With these priorities in mind, we recommend substantial expansion of the program.
Reform of obsolete building codes

Approximately 5,000 separate jurisdictions in the United States have building codes. Many of these local codes are antiquated and contain obsolete requirements that prevent builders from taking advantage of new technology. Beyond the factor of obsolescence, the very variety of the requirements prevents the mass production and standardized design that could significantly lower building costs.

Opinions differ as to whether a uniform national code is yet feasible, but it is clear that much greater uniformity is possible than presently exists. We urge state and local governments to undertake the task of modernizing their codes at once, and recommend that the Department of Housing and Urban Development design for their guidance a model national code. We can no longer afford the waste caused by arbitrary and archaic building codes.

Areas outside of ghetto neighborhoods should be opened up to occupancy by racial minorities

The Commission Recommends

Enactment of a national, comprehensive and enforceable open-occupancy law

The Federal Government should enact a comprehensive and enforceable open-occupancy law making it an offense to discriminate in the sale or rental of any housing—including single family homes—on the basis of race, creed, color, or national origin.

In recent years, various piecemeal attempts have been made to deal with the problem of housing discrimination. Executive Order 11063, issued by President Kennedy in 1962, provided that agreements for federally assisted housing made after the date of the Order must be covered by enforceable nondiscrimination pledges. Congress, in enacting Title VI of the Civil Rights Act of 1964, promulgated a broad national policy of nondiscrimination with respect to programs or activities receiving Federal financial assistance—including public housing and urban renewal. Eighteen states and more than 40 cities have enacted fair housing laws of varying degrees of effectiveness.

Despite these actions, the great bulk of housing produced by the private sector remains unaffected by antidiscrimination measures. So long as this continues, public and private action at the local level will be inhibited by the argument that local action produces competitive disadvantage.

We have canvassed the various alternatives and have come to the firm opinion that there is no substitute for enactment of a Federal fair housing law. The key to breaking down housing discrimination is universal and uniform coverage, and such coverage is obtainable only through Federal legislation.

We urge that such a statute be enacted at the earliest possible date.

Open housing legislation must be translated into open housing action. Real estate boards should work with fair housing groups in communities where such groups exist, and help form them in areas where they do not exist. The objective of voluntary community action should be (1) the full dissemination of information concerning available housing to minority groups, and (2) providing information to the community concerning the desirability of open housing.

Reorientation of Federal housing programs to place more low- and moderate-income housing outside of ghetto areas.

Enactment of a national fair housing law will eliminate the most obvious barrier limiting the areas in which nonwhites live, but it will not deal with an equally impenetrable barrier, the unavailability of low and moderate income housing in nonghetto areas.

To date, housing programs serving low-income groups have been concentrated in the ghettos. Non-ghetto areas, particularly suburbs, have for the most part have steadfastly opposed low-income, rent supplemental, or below-market interest rate housing, and have successfully restricted use of these programs outside the ghetto.

We believe that federally aided low- and moderate-income housing programs must be reoriented so that the major thrust is in nonghetto areas. Public housing programs should emphasize scattered site construction, rent supplements should, wherever possible, be used in nonghetto areas, and an intensive effort should be made to recruit below-market interest rate sponsors willing to build outside the ghettos.

The reorientation of these programs is particularly critical in light of our recommendation that 6 million low and middle-income housing units be made available over the next 5 years. If the effort is not to be counterproductive, its main thrust must be in nonghetto areas, particularly those outside the central city.
Conclusion

One of the first witnesses to be invited to appear before this Commission was Dr. Kenneth B. Clark, a distinguished and perceptive scholar. Referring to the reports of earlier riot commissions, he said:

I read that report, the 1919 riot in Chicago, and it is as if I were reading the report of the investigating committee on the Harlem riot of 1935, the report of the investigating committee on the Harlem riot of 1943, the report of the Mooney Commission on the Watts riot.

I must again in candor say to you members of this Commission—it is a kind of Alice in Wonderland with the same moving picture rehashed over and over again, the same analysis, the same recommendations, and the same inaction.

These words come to our minds as we conclude this Report.

We have provided an honest beginning. We have learned much. But we have uncovered no startling truths, no unique insights, no simple solutions. The destruction and the bitterness of racial disorder, the harsh polemics of black revolt and white repression have been seen and heard before in this country.

It is time now to end the destruction and the violence, not only in the streets of the ghetto but in the lives of people.