A quarter century ago this week, after devastating urban riots, a presidentially appointed panel known as the Kerner commission issued an ominous warning: "Our nation is moving toward two societies, one black, one white---separate and unequal."

Today, another report argues that despite some gains, the Kerner commission's warning "is more relevant..., than in 1968." Moreover, the problems of urban America have been further complicated since then by new multiracial disparities and growing income segregation, according to the Milton S. Eisenhower Foundation, which has continued the work of the Kerner commission.

"Yes, there have been some improvements," said Lynn A. Curtis, Eisenhower Foundation president and author of a massive report updating the work of the commission. "But, in spite of that, the downside is considerably worse."

The Foundation, which was created with the help of the younger brother of former president Dwight D. Eisenhower, calls for expenditures of $300 billion over 10 years to invest in children and youth and to "reconstruct" American cities with funding for housing and infra-structure.

The document also recommends scrapping the Job Training Partnership Act and avoiding investment in enterprise zones, arguing that neither have been effective.

Underlying the Foundation's policy recommendations is the bleak conclusion that, while some elements of the problem have changed, the basic social and economic disparities that were at the root of urban riots in the past clearly have not been erased.

The same frustration was evident 25 years ago when the Kerner commission, named after its chairman, Illinois Gov. Otto Kerner, issued its report. In that document, scholar Kenneth B. Clark referred to similar
investigations of the 1919 riot in Chicago, the Harlem riot of 1935, the
Harlem riot of 1943 and the Watts riot of 1965.

"It is a kind of Alice in Wonder-land--with the same moving picture
reshown over and over again, the same analysis, the same
recommendations, and the same inaction," Clark said.

In its report today, the Eisenhower Foundation pointed to the riots in
south-central Los Angeles last spring. "We can reflect again on the same
moving picture," the report said.

The failure to make progress, the foundation said, can be tied to the
"federal disinvestments" of the 1980s, when "the rich got richer and the
poor got poorer."

The report cites several statistics to make its case: one in five American
children lives in poverty; over the 1980s, average hourly wages fell more
than 9 percent; infant mortality rates for children living in some big cities,
including Detroit and Washington, were comparable to those in China and
the former Soviet Union, and by 1992, one in four African-American
males was in prison, on probation or on parole at any one time.

Curtis pointed to some positive developments since the 1960s, including
the emergence of a solid black middle class, improved high school
graduation rates among blacks and increasing numbers of black and Latino
elected officials.

But conditions have worsened among the lower socioeconomic ranks,
where there is deeper and more persistent poverty among the residents of
isolated, problem-ridden ghettos.

In 1968, the Kerner commission laid out an extensive list of policy
recommendations, including improved police-community relations, job
creation, early childhood education, improved vocational education and
creation of low-income housing outside ghetto areas.

Many of the proposals set out by the Eisenhower Foundation are similar:
full funding for Head Start, a goal shared by the Clinton administration;
education reform; job training and placement for inner-city youth; new
emphasis on drug prevention and treatment; health care coverage for the
working poor and expanded Medicaid; federal funding for housing
initiatives through local community development corporations; tenant
management of public housing, and stricter gun control laws.

The goal, the Foundation said, should be to build on programs that have
been proven to work and eliminate those that do not.
Overall, the Foundation said, the initiatives would require $150 billion in investment for children and youth and another $150 billion for housing, infrastructure and investment in technology to rebuild cities.

The report said that level of funding, to be spent over 10 years, could be largely financed by savings in military spending, reductions in funding for the Agency for International Development, taxes on the very rich and a gasoline tax offset by credits for low-income groups.

Curtis argued that the funding also could be phased in, with some early improvements made simply by reorganizing. He cited as an example restructuring the Job Training Partnership Act so it is more focused on training disadvantaged youth.

Margaret Weir, a senior fellow at the Brookings Institution, said that some of these recommendations, including job creation and training, also are contained in President Clinton's economic stimulus package and may fred public backing.

But for some of the other recommendations, particularly those targeted specifically at poor people. "It would be tough to get support," she said.