

EXECUTIVE OFFICE OF THE PRESIDENT  
BUREAU OF THE BUDGET  
Washington 25, D.C.

SEP 18 1965

MEMORANDUM FOR THE PRESIDENT

**Subject: Poverty program: Opposition from the Mayors**

The major complaint of the mayor's against OEO relates to the Community Action Program (CAP). Many mayors assert that the cap is setting up a underlying competing political organization in their own backyards.

I think we can do something about this and I have several proposals. But first, some background explanation:

To get to the problem we have to look at the original purposes of the CAP when it was first conceived, in late 1963. It was based on two central propositions:

- a larger "dole" is not the answer—the poor must become producing members of the American society.
- the war against poverty can only be one at the local level, mobilizing and unifying the resources of the local community. The battle won't be one solely by handouts and program direction from Washington.

Based on these concepts, the CAP had three major goals:

1. Use Federal grants as an entitlement to get comprehensive community anti-poverty plans developed. These plans for bring together the many—often warring —programs a Federal, state, local, and private agencies in each community. Fighting poverty is no excuse for wasteful competition and duplication among welfare agencies.
2. To change the "dole" concept of most local social welfare programs into a new approach—aimed at making "tax-eaters" into tax payers. In too many local communities there are a host of competing social welfare agencies whose activities destroy self-reliance among the poor and perpetuate the dole:
  - On the one hand they emphasize passing out money to keep the poor alive
  - at the same time they spend their time snooping, trying to regulate the daily life of the poor
  - rather than concentrating on making them self-reliant and productive.

Finally, before Headstart, the schools in poor areas seldom got involved in anti-poverty efforts. But without the schools, we can do little. The major goal of CAP is to bring the schools into this battle.

3. To involve the poor themselves in the anti-poverty program. The poor ought to be helping themselves, rather than simply having well-intentioned middle class and liberals working on them.

Unfortunately, this last concept—involving the poor in that the program—got the wrong emphasis from the start.

CAP has emphasized:

- getting minority group representatives on CAP planning boards —often in a majority position.
- holding "elections" to choose representatives of the poor on planning boards
- organizing the poor to speak up with a louder voice.

What is important, in this connection, is:

- hiring the poor, at jobs they can do, to help carry out poverty programs

- getting volunteers from poor neighborhoods to help
- talking to poor people to find out what their problems are, Etc.

In other words, we ought not be in the business of organizing the poor politically.

We ought to involve them at the actual working level in the poverty program. Mayors can stand having the CAP often at odds with the professional social welfare bureaucrats of the the city government—this is inevitable at times if CAP is to do its job. But they won't stand for what appears, to them at least, as the Federal creation of competing political groups in their own cities.

I suggest, therefore, the following:

1. OEO be the told to
  - stop the sponsoring "elections" to poverty planning boards
  - soft-pedal its conflicts with local officials over heavy representation of the poor on the poverty planning boards. Admittedly, this may cause some friction with civil rights groups.
  - step up its efforts to involve the poor at the actual working level of anti-poverty programs.
2. OEO be requested to emphasize the development of comprehensive anti-poverty plans as a condition for CAP grants. This will
  - force cap to move more gradually and carefully making grants
  - require a big greater degree of negotiation and consultation with local officials, welfare agencies, and school boards before acting.

These proposals won't eliminate the inevitable tension between CAP and local political officials. But they made tone it down to where it's bearable. If you think this approach makes sense, I will take it from here.

Finally, as I mentioned to you, John Macy and I will surely undertake a joint survey of management and personnel practices in OEO.

*(Signed)*

Charles L. Schultze  
Director

OK  
I agree

Noted by LBJ- handwritten

<p>10/20/65 10/20/65</p> <p><b>OFFICE OF ECONOMIC OPPORTUNITY</b></p>	<p>EXECUTIVE OFFICE OF THE PRESIDENT WASHINGTON, D.C. 20506</p> <p><i>For Bill M</i></p> <p><i>ALSO HAVE DIR. SCHULTZE</i></p> <p>OCT 20 1965</p> <p><i>ANALYSIS</i></p> <p><b>EXECUTIVE</b></p> <p><b>WE 9</b></p> <p><b>FG 11-3</b></p>
<p>MEMORANDUM TO: The President</p> <p>FROM : Sargent Shriver <i>Sargent Shriver</i></p> <p>SUBJECT : National Anti-Poverty Plan</p>	

First Page of Anti-Poverty Memo from Sargent Shriver to LBJ - Note: LBJ's notes of "For Bill M" and "Also have Dir. Schultze Analysis" - (Retyped for clarity below)