INTERVIEW XXXI

DATE: July 11, 1988

INTERVIEWEE: JOSEPH A. CALIFANO, JR., with comments by Marcel Bryar

INTERVIEWER: Michael Gillette

PLACE: Mr. Califano's office, Washington, D.C.

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G: On the topic of poverty let's start from your perspective in the Defense Department and particularly the impetus for the War on Poverty as coming from the fact that a very large number of men were failing the physical and mental minimum [requirements] set up by the Selective Service system.

C: I don't think that was the impetus, at least to the best of my recollection, for the War on Poverty. I remember more being on--I mean I remember great concern about that, and ultimately Project 100,000, which came, I can't remember what year that came, which was to try and train 100,000 people--teach them how to speak and make them functionally literate, I mean English, math. I more, I had a greater sense of us just being on the receiving end of trying to do things [that] would help the [poverty] program find obsolete bases that could be used as camps for the Job Corps and that sort of thing.

G: Adam Yarmolinsky was detailed to work with [Sargent] Shriver on this task force.

C: He was, and in 1964, I guess, when the poverty bill was on the floor of the House, Yarmolinsky became--and the vote was very close--Yarmolinsky became a major issue

because, as I recall, his parents, or one of his parents, had at one point been a Communist or member of the Communist Party or allegedly a member of the Communist Party, and in as the vote got closer and closer Yarmolinsky had been set up to be Shriver's deputy once the bill passed. The deputy director of the War on Poverty. The North Carolina delegation, I believe, made the price of their votes getting Yarmolinsky out of the poverty program, and that--this is second-hand now. I guess I was working for [Robert] McNamara by this time. Yarmolinsky had literally moved out of the Pentagon. Bob would not let him. He wanted to keep his hat as special assistant to the secretary and deputy secretary of defense and McNamara said no.

G: Why not?

C: He needed--that job alone was more than a full-time job. And he moved me up into that job. McNamara--well, in any case, who knows? The word was that at Shriver's recommendation the White House agreed--because that was the only way to get the bill passed--to give on Yarmolinsky. It made the commitment; the North Carolina delegation voted for the poverty bill. I can't remember how close the vote was.

G: It wasn't as close as they thought.

C: It wasn't as close as they thought it was going to be. But I do remember the day after, McNamara--I had very few personal conversations with McNamara when I was his assistant. It wasn't until after I got out of the Pentagon that we became personal friends. But I remember the day after that vote and it was a lot of consternation and people were very disappointed. It was kind of a crude exchange to see a guy savaged like that and McNamara said to me, "You have to remember something, that when the President, one of his major programs is involved, nobody's important. Everybody's expendable."

Yarmolinsky came back to the Pentagon, and Bob tried--Yarmolinsky wanted in some way to be vindicated and it was an attempt on Bob's part to have the President nominate him to be general counsel of the Defense Department, which the President said he was willing to do if Bob could deliver in advance the majority of votes on the Senate Armed Services Committee, which McNamara was unable to deliver.

G: He tried to do that?

C: He tried to do that. Yes. He called [John] Stennis and other people.

G: On the issue of Yarmolinsky being excluded from the program, was there a sense that the White House had sold out Yarmolinsky, or that Shriver had done it? Where did the responsibility rest?

C: I don't know if you'll ever find out who did it, but I think they both did it. I mean, I think Sarge thought it had to be done, and I think the White House thought it had to be done, the legislative people.

G: Do you think that the North Carolina delegation's opposition had to do with, let's say, [his] radical family members or background, or his role in the desegregation in military bases? What was it about Yarmolinsky that--

C: Well, I think it was probably both. Yarmolinsky was not well liked in the Pentagon by the career people there. He was the cutting edge of the [idea of] using the bases to desegregate property nearby, of any sort of social programs or movements that the Pentagon got involved in, and because of that, he was a prime target. My hunch is it was both. It was sort of all of the above. It was both the alleged communist leanings or membership or whatever of his family, his parents, and his role in desegregation. There still was--and remember, in 1964 you're talking about the [Barry] Goldwater campaign--

there still was a tremendous amount of sort of blind, unintelligent, anti-Communist feeling and still threads of McCarthyism that hung over, and he was a victim of that.

G: Any insights on the Defense Department's role in the program, aside from using the bases?

C: My only recollection--what happened before I became Bob's assistant I don't know--but my only recollection of the Pentagon's involvement in these areas was using old bases as possible camps for some kind of job training or national Youth Corps training program. Two, our own Project 100,000, was both an attempt to use the Pentagon to help fight poverty, but it was also to reduce the need to draft people. If we could get more people that were coming in as volunteers up to snuff to pass our tests, or meet the levels needed to be in the army, or what have you, we wouldn't have to draft that many people. And thirdly, the use of the military bases to say that anybody that advertises housing on a military base has to, it's got to be desegregated.

G: Now let's talk about moving into the White House. Was the specific presidential assistant assigned to sort of monitor the War on Poverty or did it--

C: No. I think until before I got there, I think [Bill] Moyers was probably the most involved largely because Shriver was running the War on Poverty and Bill and he had been together at the Peace Corps. There was nobody looking at it, and from the--at all times when I was there it was a program of great controversy. One, because it appeared to the elected political forces, the mayors and the country commissioners and the governors, that here was a program that was setting up a political structure that circumvented them. Two, because some of the programs like the VISTA [Volunteers in Service to America] volunteers inevitably ended up with poor people getting politically organized. We'd send

a VISTA volunteer into West Virginia to teach people English or health habits or help them build housing or teach them how to--toileting or what have you, and as you might expect, these were largely college students, liberal, progressive. They'd get involved in organizing these people to go to the state or the city or the county and say you're entitled to a sewer line. We're entitled to better schools. We're entitled to this and they--the elected officials did not like that kind of pressure. And it was also very much seen as a black program, a program to help blacks. And it was operating--couple that with it was operating sort of outside of the federal bureaucracy and constantly everybody, you know, if there were job programs, Labor wondered why they didn't have them. If there were health programs, HEW [Health Education, and Welfare] wanted them, that kind of thing.

G: It competed with the old-line agencies, departments.

C: That was--and then there was a constant concern of how--concern that there'd be corruption in the program. And Johnson was very concerned about that. The President either had been burned by some corruption in the National Youth Administration or was just generally constantly worried that if you want to blow up the War on Poverty just have some corruption. HARYOU-ACT [Harlem Youth Opportunities Unlimited-Associated Community Teams] in Harlem became a big issue, and he really wanted us to aggressively move in. That concern eventually led us to put, and I don't remember the stage at which we did it, but to put Bert Harding in as Shriver's deputy. Harding had come out of the Internal Revenue Service if I recall correctly . . .

G: Yes.

C: . . . to really get auditing procedures in there. And there was some level of ambivalence in the sense that there were some programs that the mayors and the governors liked and

wanted more of. Head Start everybody liked and wanted more money and in those days Head Start was part of the Community Action Program. And lastly I think the same qualities that made Shriver effective in kind of getting the troupes revved up also got the mayors angry and would periodically get the President annoyed, and Shriver constantly suffered from the issue of whether he was loyal to Johnson or loyal to the Kennedys and an underlying concern that any political organizations that were coming out of the Community Action Program would be Kennedy political organizations.

G: Did the President see OEO [Office of Economic Opportunity] as sort of a bastion of Bobby Kennedy loyalists?

C: I don't think so. I think he was very ambivalent about Shriver's loyalty. He was never sure. Although near the end I think he became--and he always thought that even if Shriver himself were loyal or wanted to be loyal, he wouldn't be able to resist the pressures of the Kennedys. I don't think he saw OEO as a bastion of Kennedy followers, although when Bobby Kennedy started to run I think there was a sense that those community action programs had produced a lot of people. Bobby positioned himself on the far left of the Democratic party. But I don't think so.

I don't know how this fits in but in early 1968, before the President decided to withdraw, when Shriver was going to be ambassador to France, because Shriver obviously wanted to get out of the country and not have to deal with this whole Bobby Kennedy problem, I do remember the President calling me in--Jim Jones was there--and telling me he wanted me to run the War on Poverty if he ran for election again. And I couldn't believe it. That's the last thing I wanted to do. I went back--I remember going home that night and then coming in the next day and mustering all my courage to deal

with him, and saying I'd planned, which I had, to leave the government after he was re-elected and after the first legislative program had been put forth. I would get him through that legislative program if it had been in the winter and spring of 1969 and then go. And that under any circumstances, and therefore, you know, and that didn't make sense. Doing the legislative programs was really the most valuable contribution I could make for him now, not leaving the White House and running the War on Poverty, to which he responded, "I had no intention of your leaving the White House." (Laughter) He said, "There's no reason why you can't do both." And in any case, he decided not to run and it never came to pass.

G: One of the issues--

C: But he was very serious about it.

G: Did he ever talk about it again or was that the--

C: No, but it was a conversation that lasted a week, three or four days, back and forth.

G: Did he indicate a major reorganization?

C: No, not at that point. We had earlier looked at reorganizing the poverty program.

G: One of the issues that surfaces in 1965 is the issue of Shriver trying to do two jobs at once, head of the Peace Corps and OEO. What was your perception of this dual role here?

C: Well, I think Shriver loved it in one sense and in another sense was terribly frustrated by it. The President--I don't think OEO as a large bureaucracy was ever something we thought of as either, maybe not even temporary, but certainly not permanent. That the Office of Economic Opportunity and the head of the War on Poverty was someone that would get these programs started and ultimately these programs would go into whatever

departments they belonged in. I have no idea what people were thinking before I got there. But by the time I got there, it was apparent to me that if you want, in terms of rational organization, you would spin some of these programs off. The Head Start did indeed belong in HEW. The argument against moving those programs out was that these were innovative and they'd lose all their innovation and once you got them into these turgid bureaucracies, but we had gone to the trouble of putting people like John Gardner in as secretary of HEW to kind of upgrade it and turn it around. You have to remember one other thing. I can't pinpoint it program by program but a lot of where we placed programs had nothing to do with where they belonged logically, and everything to do with who the committee and subcommittee members were on the Hill through whom we'd have to move the legislation and which appropriations subcommittees we'd be dealing with, through whom we'd have to move the funding. In a sense that's what--that's why HEW got so much of that stuff because it had, in those days at least, the most liberal appropriations subcommittee and I don't know what the committee was called; I don't know whether it was then called Labor and Human Resources, but the stuff was going through the most progressive committees. And I can't--I just can't remember how OEO was being funded.

G: Was there also a sense on the part of some that Head Start needed to stay in OEO in order to help protect the less popular programs like Community Action?

C: There was a sense that if we moved--have you got my memo there?

G: December 18?

C: 1965. Yes. There also was the sense that if we moved the popular programs, Head Start, the Neighborhood Youth Corps for example, and particularly Head Start, which was far

and away the most popular out of the community action programs, it would be the end of community action.

It's interesting. This jumps way ahead, but when I was secretary of HEW under President [Jimmy] Carter, and we had what I can't even remember what it was called. Grace Olivarez presided over the community--it was essentially community action programs [Community Services Administration], what was left of OEO, about five hundred million dollars, and the President called me one day and said, "I want you to talk to Grace Olivarez. She wants you--she wants to fold her agency into HEW." She came to see me and talked to me and she said to me that she had no control over it. That it was so small it had become an absolute sort of poverty pork barrel totally controlled by congressmen. She was too weak to fight them and had no ability to put programs where they were needed and what have you, [to] make rational judgments. I said to her, as indeed we were sitting there, I was being picketed both that day both by right-to-lifers and pro-abortionists, I walked over to my window; I said, "Look, everyday outside that window I've got people. I just can't run this place and do the things that have to be done here and take on this set of problems as well at this time." And I told the same thing to the President and it died. In any case--

G: How would you gauge Shriver's loyalty to the President?

C: I thought Shriver was as loyal--I thought he was fundamentally loyal to President Johnson. He was more of a loner, more of an unguided missile, on some issues than he was sort of in the Kennedy camp, and that that was really the source of the friction and the problems that he would go off and do whatever the hell he wanted to do. Larry O'Brien used to say that Shriver never walked into a room; he bounced off the walls. And

I think that was--I always perceived that as being the problem. In Watts, for example, the problems we had with the poverty program after the riots, or before and after the riots, really had nothing to do--even though people got annoyed with Shriver at some points there--it really had nothing to do with Shriver being more loyal to the Kennedys and everything to do with Shriver sort of doing his own thing. He also was dealing with the most difficult and rambunctious group of people who were by and large in the community action, organizing poor. [Those espousing] the maximum feasible participation of the poor by and large had not had any experience in politics, in government, were very much outside the mainstream, considered themselves outside the mainstream. And he identified more with them.

G: Did the President--

C: And that incidentally, for what it's worth, was, and some of that in terms of Shriver were deep-felt feelings. I mean, he was a devout Catholic in the most sort of pro-poor, fundamental kind of--

G: St. Vincent de Paul?

C: Yes. St. Vincent de Paul with a little spin of Jesuit revolution. And that was very much Shriver so he was operating from--he was, if you will, doing the work of God as well as of Lyndon Johnson.

G: It really did take on a crusade atmosphere.

C: Well, incidentally, everybody contributed to that. Let's not forget that the President didn't lightly put people in these jobs and I was not part of his selecting Shriver to do this, but I think--but we do know how incredibly shrewd he was about people and character. He knew this needed a crusade. He picked a guy that could lead a crusade, and he himself

turned it into a crusade. When he started talking about the War on Poverty and eliminating poverty from the face of the earth, or the face of the United States, and what have you, he knew what he was doing and he knew what he was doing when he put Shriver in there. Much as he may have groused later, I think he probably, he certainly even knew the kinds of problems and irritations this would create for him.

G: What do you think was his real attitude toward such programs as Community Action?

C: I think it was ambivalent. I mean, I can remember him--well, you have to go back a step. The President believed deeply in the political process, and elections, and believed that the way to avoid discontent, turmoil, riots, revolution, if you will, was to get everybody involved in that process and make sure they felt they could get something out of it and had a stake in it. That's what went to this feeling about the civil rights voting act. I can remember him, for example, listening to Harry Byrd one evening bitch about VISTA volunteers in West Virginia--or Virginia I guess--and maybe Bob Byrd in West Virginia. Just, you know, they're organizing people politically, they're doing this, they're doing that, and Johnson's saying to me, you know, "We've got to stop that. They're down there to educate these people. They're down there to build hospitals. They're down there to build clinics," and what have you, and then they leave and we'd have dinner later that night and Johnson would say, "What the hell do these guys expect? Those kids go down there, they see the conditions, they see these people have no help, and of course they're going to help those people get organized to put pressure on the county commission, to give them water or give them the sewer, or give them electricity, or give them a school or something or a school bus so their kids can get to the school without walking five miles a day." So he understood that.

But eventually--and eventually was not long. It was certainly by the time I got there, because it was reflected in some of the compromises we made on the Model Cities legislation--he recognized the fundamental importance of forcing this program to operate within the electoral structure so that you gave in one way or another veto power or enough seats on community action boards to mayors and governors who had been elected by the people so that these programs became more responsive to people that had been elected. And as I said, I think both the--even the original Model Cities legislation reflected a--well, it had a component of maximum feasible participation by the poor. It reflected much more recognition of elected officials and by the time it got out of the Congress the mayors essentially had veto power over the Model Cities boards, or who went on them, or what have you. So it was, you know, it was something he thought had to be done; it was one of the pressure points he thought had to by put on and he understood pressure points. He could get terribly angry about it.

G: Are you thinking of any particular examples?

C: Well I was thinking, we wanted to build something called New Towns in Town here in Washington and this came late in the administration. 1968. Have you come across any of that?

B: We came across it (inaudible).

G: Yes.

C: There's a book on that program I've got somewhere. But [in] any case, we had a New Towns in Town program in Washington, D.C., and one of the things we got objection from was the community action board in this neighborhood started fighting the program. I can't even remember why. I'm not sure we were displacing anybody. I just, I don't

remember. And the President was saying, "Goddamn it. It's my board. Why is my program fighting me?" So he had that kind of a reaction.

G: Any recollections on the Child Development Group in Mississippi and the storm that that caused with the two Mississippi Senators, [James] Eastland and Stennis. These were civil rights workers who--

C: Yes, I just don't--I can't remember. I do remember the storm but I can't . . .

G: Ultimately, a competing group was funded. Mississippians for Progress with Hodding Carter and some others rather than this more, I guess you would call--well. . . . How about Mayor [Richard] Daley in Chicago?

C: Daley had a lot of problems with the poverty program. I think from his vantage point he saw it as a threat to the iron-fist system he had control over [in] Chicago and I'm sure we made a lot of accommodations to him out there.

G: Was the program in Texas a special interest to LBJ--the Gary Job Corps, the--

C: Well, everything in Texas was a special--

(Interruption)

You know he would watch us from the papers. The school desegregation district by district. But I'd have to see papers to jog my memory.

G: Anything on his relationship with John Connally, and Connally a more conservative governor. . . .

C: He used to tell Connally, and certainly tell us--he used to tell Connally that Connally should take the poverty program unto himself and make it a major effort in the state because Connally didn't like the Community Action Program. That eventually, and I can remember sitting around in the White House with the President talking about Connally

and saying, "John Connally: great governor, but he doesn't have enough compassion, doesn't understand enough about poor people." And I'm sure he told that to Connally, and I don't know the extent to which Connally did follow LBJ's advice.

G: There was a major issue with VISTA volunteers in South Texas working with Hispanics.

C: I don't remember. On the organization--I can't remember what precipitated our desire to reorganize the poverty program, and what led to this memo of mine in December 18, 1965. Do we have anything on that?

G: No. Nothing.

C: You haven't come across anything in my papers? Because by this time--well, I'm sure, I mean, I'd come out of the Pentagon and out of a lot of--

(Interruption)

I came over from the Pentagon, and I came over having worked initially in McNamara's reorganization group, and I had a bent for getting the government better organized. Charlie Schultze also was interested in this area. At some point the President talked to me about busting up OEO and putting it in the departments where it belonged, where the various programs belonged, and what that would look like. As a matter or organization, that was very appealing to me. Secondly, without exception, the cabinet secretaries, who would obtain jurisdiction of programs--job programs, health programs, the rural loan program--wanted the OEO programs moved into their departments. And lastly, to the extent that OEO funding had scrambled the jurisdictional lines on Capitol Hill, the committee chairman who had power over various areas who had not quite, I can't remember how OEO made its way through the Congress, but they wanted clear control over their health committee or their labor committee or what have you. That was coupled

with increasing irritation at the Community Action Program. And in the President's mind, as I mentioned before, an increasing concern that corruption in the action-oriented grants, political action-oriented grants in the CAP program, could blow the whole poverty program out of the water. He used to say, "One big scandal and we're done."

So at some point that led to what I guess was--you know, I'm only there five or six months now--a detailed review of how to reorganize it and having [Nicholas] Katzenbach--Norbert Schlei was the head of the Office of Legal Counsel at that time--put together papers for reorganizing the War on Poverty. I doubt if we ever talked to Shriver about this at that point in time or if he knew anything about it. As I say in the memo, I say, "The reorganization of the war against poverty is potentially the most politically explosive act the administration could take, even though it makes good organizational sense," and then came up with the idea of how do you make it politically palatable. And the way you make it politically palatable is to put the political organizing, for lack of a better term, part of Community Action in HUD [Housing and Urban Development] and you make Shriver secretary of HUD, and instead of making a black the secretary, make a black the undersecretary. And sell it as making the whole government conscious of the War on Poverty. Obviously we didn't do that. I just can't remember why; that's why we really have to talk to people. My hunch is that the politics of it were just so--we just didn't want to take on another major war with the left at this point in time and Johnson did want to appoint a black to the HUD job. Even though we looked at a lot of other--he wanted to put a black in the cabinet and that was the most likely job in which to put a black. We looked periodically at lesser reorganizations, like moving Head Start into HEW and the job programs into Labor, but [we] were constantly concerned that the rest

of Community Action would go down the tubes if it didn't have the popular programs along with it.

G: When Moyers left the White House did OEO lose a friend?

C: When did he leave? Do you remember? Early 1966?

B: (Inaudible)

G: Was it? He and Shriver had had a close--

C: Well, he and Shriver had a close relationship but I don't--by that time I had a good relationship with Shriver and I hadn't lived through the Peace Corps with him as Bill had. But I saw Shriver socially and I became clearly his contact in the White House but I may have become that before then. I mean, Shriver just gravitated. Shriver was a very street-smart bureaucrat and he gravitated to where the power was and as my office got more and more control over the programs and the funding and what have you, he gravitated there.

End of interview XXXI

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Joseph A. Califano

Interviewed by: Paige Mulhollan, Joe B. Frantz and Michael L. Gillette

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