INTERVIEW I

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INTERVIEWEE: WILLIAM M. CAPRON

INTERVIEWER: MICHAEL L. GILLETTE

PLACE: Professor Capron's office, Boston, Massachusetts

Tape 1 of 2

G: Well, let's start, Professor Capron, with your earliest involvement with what became the research on the War on Poverty, drawing together of ideas. You were with CEA [Council of Economic Advisers] originally.

C: Yes, I was a senior staff member with the Council of Economic Advisers beginning in 1962 and in the spring of 1963--more specifically my memory is that I became actively involved in June of that year. But even earlier than that I was aware that another senior staff member, Robert Lampman, who was on leave from the University of Wisconsin, was working on updating and pulling together information drawn from the 1960 census on the distribution of income and particularly the distribution of income at the lower end of the spectrum. And indeed [that was] the material that later in January of 1964 was made public in chapter two of the 1964 *Economic Report of the President* which laid the groundwork for what came to be known as the War on Poverty. That work was begun in the spring of 1963 by Bob Lampman, who was and remains one of the distinguished experts in the field of income distribution.

Walter Heller, the chairman of the Council--and my memory is not sharp enough on the exact timing and just who said what to whom at this point--was already, I know, in June talking about the need to think ahead to the legislative program that President Kennedy might introduce in 1964. The centerpiece of the 1963 program had been the tax cut, and as Heller pointed out in conversations with the President and with Ted Sorensen over the summer, the tax cut was fine, and yet it didn't do anything directly for those at the very bottom of the income distribution. There were some other events that I recall, not in necessarily exact chronological order. There was a very important magazine article in the *New Yorker*--I'm blanking on the name. Do you know the piece I mean, that.

G: Yes. Let's see, who wrote it?

C: It's referenced in here someplace. I know perfectly well; I'm just terrible on names.

Well, then there was Homer Bigart [who] did a series in the [*New York*] *Herald Tribune* on poverty in Appalachia, particularly in eastern Kentucky and West Virginia and that--the article I was trying to remember was Dwight Macdonald. The President got a marked-up copy of the Macdonald article, I happen to know, because Walter suggested we clip it and paste it on sheets of paper and send it over for his night reading. And I believe I've been told that there's evidence he read it because he'd made a couple of notes on the margin. I'm almost positive of that.

G: I see.

C: We do know that Bigart's concern about the possibility in the winter of 1963-1964 of real hardship and starvation in the coal mining areas exercised President Kennedy sufficiently

so that a very targeted crash program was organized which involved some of the same people early that fall who were also working on the poverty effort. As a result of that, some funds, particularly I think Agriculture food funds, were channeled into that area and some other emergency relief kind of measures were undertaken. In any case, I'm mentioning that because it was quite clear during the summer that there was real interest in developing some kind of program, programmatic responses, from the federal level to the problem of low-income people or poverty problems.

Heller, as was the custom in the Kennedy Administration, early--I think it was right around Labor Day--met with Ted Sorensen who was President Kennedy's domestic policy chief of staff, and out of that came an instruction to the Council of Economic Advisers to take the lead in pulling together ideas for a program or group of programs in this area. Now, I think it's clear that those of us who were involved in this at this point were really grasping for ideas. Another thing that occurred over the summer of 1963 was that Lampman and I convened a Saturday morning informal brown-bag lunch group which included ourselves and two or three others from the CEA staff, and some of the people from the Labor Department, HEW [Health, Education and Welfare], HHFA [Housing and Home Finance]--which later became HUD [Housing and Urban Development]--the Bureau of the Budget.

G: Where did this group meet?

C: We met in a conference room, a small conference room in the Executive Office Building in the council quarters. We used to usually get together about twelve and go until two-thirty or three of a Saturday afternoon. We did this several times over the summer, and

of course the group--some people were off on vacation part of the time--the group varied. Some people brought along with them others who they thought might have something to say. The focus of that exercise was to increase our own understanding of poverty. Several of the key people, in addition to Lampman, were those who knew a lot about the data base. I remember some of the most, I think, important people in that group in terms of the impact they had on educating people like myself who came to this with no background in the field at all [were] Ida Merriam, who was a long-time Social Security Administration policy analyst--I do not remember her exact title, but that was her role--quite senior and a very effective person; Phil Arnow, then in the Labor Department as some kind of special advisor, I believe, or maybe an economist, in the Manpower Administration; Wilbur Cohen joined us from HEW a couple of times, because Wilbur, in addition to his very effective political role as under secretary, goes way back as a student of the whole income distribution area and certainly had an effect. From the Budget Bureau, as I recall, Bill Cannon--he may have joined us toward the end of the summer--but I remember Mike March, who was at that point in the division that managed the HEW and Labor budgets, participated.

Well, going back, that was during the summer. Lampman had to return at the end of the summer to the University of Wisconsin--his leave was up--so Heller turned to me and one of the younger members of the CEA staff, Bert Wiseborough [?] and he and I together became Heller's point men on this whole project.

G: Let me ask you some more about the Saturday morning club. Did you focus on any particular aspects of poverty, such as employment or income distribution or any income

maintenance or anything like that? Or was it simply an open-ended discussion group?

C: Well, I have to qualify my ability to remember clearly, because I was learning from lots of conversations from those meetings and from trying to read a lot of stuff all at the same time, so it's very difficult for me to stand back and say, "That I first heard there" and so forth. My impression, though, is that one of the things that developed out of those discussions certainly was a sharpened view of the need when one was thinking of going from analysis of what is the problem to program to recognize that it wasn't a problem; it was a whole constellation of problems with very different sources. And some of the themes that were picked up in the Council's *Economic Report of the President* that winter, and had been part of the dialogue about poverty ever since were first identified then--the fact that a large number of people in any year will statistically be measured as poor because of transitory reasons. They're out of work for a large part of the year. They suffer some kind of injury or disability, temporary. They are transitory poor. There may need to be some kind of programs to help them over that dip in the road, but they are very different than the people who are "trapped in poverty" or seem to be. The elderly poor were recognized as a special kind of problem. Manpower programs are not designed to help the elderly, and education programs and the like.

So the notion, the distinction [was made] between alleviating poverty for the elderly and the disabled, and trying to eliminate poverty for those who still had a chance to, through retraining, relocation, or whatever, earn their way out of poverty through the world of work. Then a great deal of emphasis--I know we got fascinated with some of the data that was [developed]; Lampman had picked up a little of it. But I remember it

was at one of those Saturday morning meetings that--in fact I think we spent a couple of them--some data that was developed someplace in HEW which identified what we came to call for a while the "culture of poverty." These are inter-generational families that for several, at least two or three generations, have clearly been in poverty, because mothers or parents who are or were under the Aid for the Families of Dependent Children would in response to questionnaires be asked, and indeed it was discovered that their parents had also been in poverty. Trying to break the cycle of poverty became one of the themes that some of us tried to build into some of the specific program suggestions.

My best recollection is that we did not spend a lot of time that summer talking about what came to be known as the "negative income tax," although that idea was around a little bit. But it was not a major--I think it had not yet been well-developed by the people like James Tobin and Milton Friedman, for that matter. And also the notion that we could do anything with the tax system in a year when we were trying to get the tax bill of 1963, which was not enacted of course until 1964, that we could do anything in that area seemed so unlikely we didn't spend time on that.

G: So after--

C: Let me just say that there was not, at least consciously, a notion in those Saturday morning meetings that we were there designing a major part of the Kennedy program for 1964. We were not at that point. The real initiation of those meetings was Lampman trying to get some of the experts in Washington to react to some of the data that he was putting together and the way he was organizing it as a result of his very detailed and careful study of the 1950 and 1960 census information on income distribution.

G: So was the product then to be simply meshed into his research or was it something--?

C: No, we knew that we were going to say something in the Council report, but not necessarily in the President's program about what was happening to income distribution, and make general suggestions about government policy in the area. But this was before anyone had a notion--and I think it's fair to say that Lampman was not at that point, didn't have in his head a quote, "War on Poverty."

G: So then after the summer you took over as being Heller's principal assistant on poverty thinking?

C: That's right. And, as part of that operation, a group of cabinet officers was put together as kind of an informal task force. It was decided by Sorensen and Heller, at least as I was told, that they would not use the technique which had been used, was used in the Kennedy years and later in the Johnson years very often, to establish a task force which included outsiders. In this case, it was just the cabinet officers, the secretaries of HEW, Agriculture, Labor, the administrator of Housing and Home Finance and--let's see who else was [included]--the director of the Bureau of the Budget, of course, and the secretary of Commerce, although my memory is that Commerce played almost no role in this. There were a couple of meetings held, at least one meeting that I remember of that group and then with Heller in the chair and then a couple of meetings later on during the winter organized or called by Sorensen. I'll come to those a little later because they're important in explaining how we got to the Shriver task force.

G: What did this--?

C: The primary purpose of this kind of informal task force was to get the departments and

agencies to come up with suggestions for items that might be included in a program should Kennedy decide to go ahead and make this part of his 1964 program. The results were perhaps predictably disastrous. That is, I got, or Heller got, a lot of junk. These were warmed-over revisions of proposals that had been around for a long time, coming up out of the bureaucracy, programs that had been already rejected by the Congress, very little imagination.

G: But were they weak primarily because they didn't have much prospect of passing?

C: No. Part of the problem was that they were terribly categorical, and from my point of view they didn't fit what was emerging as our diagnosis of the problem because they were completely unintegrated. They were little bits and pieces that didn't really hang together, and there didn't seem to be--what we'd struggled for through November of 1963 was an organizing theme. To the extent we got one, I guess I would say it was the Community Action Program, which we viewed as a device to focus many different federal and local programs--but we were particularly concerned about federal programs--to match the needs in particular localities. It was this lack of focus and the fact that we knew there were lots of different patterns out there and that no one piece of legislation was going to affect more than a relatively small part of the problem in a few places, or relatively few places.

The other thing that was very evident and became much more overtly clear when we met in Sorensen's office in December with the cabinet, the relevant cabinet officers, and that is a fierce desire on their part to keep programs in their own departments and not let loose of anything.

G: Can you recall that meeting or the circumstances?

C: The meeting I remember best was in around mid-December--I'm sure the exact date can be identified by someone. In fact, I think there's a memorandum here and I can probably identify it. Well, there's a December 18 memo, I guess December 20 maybe was the meeting, just before Christmas. This is a memorandum from Heller to Sorensen and a couple of days before that he sent a covering note with a draft of that memorandum to the cabinet officers concerned. That was a very unpleasant meeting. It has to be understood that a number of us--and I guess most particularly it was obvious to me that Ted Sorensen, Kermit Gordon and Walter Heller were still most deeply affected by Kennedy's assassination. Especially Ted, not surprisingly. He was morose. He did not, as I had seen him in the past, control the meeting.

G: Who called the meeting, do you know?

C: Sorensen did. Back up for a moment, there's a much-told story and it's included in Walter Heller's book about his experiences at CEA [*New Dimensions of Political Economy*?]. His first meeting with President Johnson the weekend after the assassination. He had just a few minutes with him and very quickly trying to let him know what the major items on the agenda were that Johnson would have to turn to fairly quickly. And one of them was whether or not some kind of a program to attack poverty should be part of the 1964 legislative program. We were already way down the road in terms of putting the budget together in the program. Because of the inability in November at an earlier meeting which I don't remember as well--I'm quite sure I was there, but this was before the assassination--and there was just no agreement at all and a

good deal of confusion as to what next steps were. We took it that next steps were to identify what came to be known the Community Action Program, which was then just a kind of glimmering possibility dimly seen and I think looking different to everyone who used the phrase.

So the meeting on December 20, if that's the right date, was at Johnson's insistence that he needed something, and we didn't have anything for him in terms of a real program. He was about to leave--he probably left that weekend for the Ranch--and the annual go-round on the budget and the legislative program. Johnson--I'm skipping around; I'm sorry--at that meeting with Heller, Johnson's response to including in his program some kind of attack on poverty was, according to Walter, spontaneous and immediate. "That's my kind of program" was the quote.

G: Did you get this from Heller at the time? Did Heller come back and tell you . . . ?

C: Yes. Oh yes. Oh yes. Within minutes. And so . . .

G: Did this then trigger . . . ?

C: No, it really did not. What I would say that did for--I can speak for myself obviously--what that did for me was to help me over my own grieving. This was forty-eight hours after Jack Kennedy was assassinated. We had been doing busy work just to keep busy. I remember very vividly my feeling, "Okay now I've got something to do." Because we'd already been doing it, but now we knew we were back on that track and that we really had to pull something together here, and we had been terribly frustrated because of the very strenuous bureaucratic resistance.

There had been a meeting scheduled for--someone can check this obviously with I

suppose Sorensen's files. I'm quite certain that the meeting that took place on the twentieth had been scheduled before the assassination at which time I know Gordon and Heller and I, we had chatted, I remember, the middle of that week before the assassination, on that Tuesday or Wednesday, because I know Walter was leaving. He was on the plane with the cabinet group going to Japan, and they left, I guess the day of [the assassination]. He was leaving in a couple of days, and I was with Heller at the White House Mess and Kermit joined us for a few minutes, and I don't recall exactly--maybe we stuck our heads in Sorensen's office or he came in, but I remember at that time both Heller and Gordon saying, "Ted, we're not going to have anything if you don't start knocking heads." This was the idea.

G: Meaning heads of cabinet officers?

C: Yes, and Sorensen's sardonic response was that he didn't mind knocking heads, but he didn't see what he was knocking for, because he didn't have anything from you, he said to those two, and me, that anyone could put their teeth in. And I should say that one of the doubting Thomases, the men from Missouri, at this point was Kermit Gordon, then the director of the Bureau of the Budget.

G: How so?

C: Well, he didn't think that we had a real set of programmatic ideas. He'd seen this list of things that he recognized as budget director were kind of typical add-ons to various agencies' programs, and he didn't see the glimmer of an idea. He had been quite intrigued with Lampman's summary of the character of poverty, which was attached to one of these early memos, almost an outline of chapter two, although it wasn't put forward that way. I

don't know which one it is. It's one of the early [memos]. Anyway, and then when we did--at that point we were beginning--by "we" now I should identify Bill Cannon put me together during October, as I recall, or early November certainly, with Dave [David L.] Hackett and Dick Boone from Bobby Kennedy's juvenile delinquency operation. I knew absolutely nothing about it. I mean, I knew the name, but that was all I knew. And that was my introduction to the notion of what came to be known as community action.

I think Bill [William] Cannon gets a lot of credit for holding my feet to the fire and making me think about it because he was coming at this from the vantage point of the division of legislative analysis in the Budget Bureau, and they're the people who have to worry about what will sell on the Hill and how to package a program. Like Kermit and Sorensen, for that matter, he was very well aware that we didn't yet have handles that you could put a program on, and he latched on to this. Dave Hackett was a very hard-driving effective, caring person. He really cared about what he was doing in the juvenile delinquency program. He very quickly excited me by the possibility, and I decided--I do get credit for one piece of the business here, because I put Boone and Hackett together for what was supposed to be a half-hour, and as I recall, ran for nearly two hours with Heller, and Walter got sold on the idea of community action as being the organizing principle.

G: Well now, how was the program presented to you by Boone and Hackett? Do you recall how they illustrated it or how they described it?

C: I think one of the main themes was the tremendous energy and potential there were in lots of communities that looked from the outside like they were desolate, dead, and

disorganized. That with a little federal seed money, that there was the possibility of local groups to really come together and do something to help themselves. The fact that [if] people thought they were going to have some control over what happened to them, or in this case, their kids--their young people--that a lot could happen. That there was tremendous variety--this was the other thing--from one part of the country to another, from ghettos to smaller cities and all the rest of it. There's no question that the community action idea--and this stayed with it and plagued it to some extent all the way through--was very urban. The juvenile delinquency people were mostly working, not surprisingly, in an urban setting. We didn't talk much about the rural problem. That came up first in the community action context when I got Paul Ylvisaker who was then with the Ford Foundation and head of a private community action experimental or demonstration program, to bring Mike [Mitchell] Sviridoff and another guy whose name I never can remember. It's embarrassing, because it's not a--he's someone who has gone on to do interesting things, who was doing community action in rural areas. He was then operating particularly in southern Appalachia.

G: I have his name; we can fill it in.

C: And they talked to, this began as a breakfast meeting, went on for part of the morning. I remember I was so frustrated; I had wanted to get Ylvisaker in to talk to Kermit Gordon, but I couldn't work it out. Gordon's schedule was just too jammed up or something, I can't remember. Because Ylvisaker took us then a major step for me, at least, beyond the Hackett-Boone discussion. Partly he was able to organize his thinking in a not so directly and little strictly, very nuts-and-bolts operational way, which is the way Hackett naturally

approached things. He's a can-do sort of person. There was more of a structure in Ylvisaker's mind, because he had been designing programs.

G: You mean structure in terms of how you set up a program, is that right?

C: That's right, and a lot of the ideas that ended up actually in the legislation, the ground rules for how you would go about organizing CAPs, really were developed out of the Ford experience. We were not drafting legislation at that first meeting, but I got some of this in me, and some of the things that were said then I know then started appearing in the memoranda going out over Heller's name and ended up being reflected in the Council of Economic Advisers chapter, and then flowed into the Shriver task force, when it was organized. But I can't follow, you know, particular notions and trace them.

G: Do you recall any particular projects that either Ylvisaker or Hackett and Boone referred to, either say, something like the HARYOU [Harlem Youth Opportunities Unlimited] program or--

C: HARYOU was discussed, and of course we heard a lot from Mike Sviridoff about New Haven and Dick Lee's efforts. And also Terry Sanford's efforts in North Carolina. The last not irrelevant, but before I forget, at one of your questions I noticed you put to Shriver--I made up one of the several lists that were floating of people to head up this, around Christmas time. Shriver was on the list, but so was Terry Sanford, then the governor of North Carolina. I don't remember the other names, but I remember those two.

G: I wonder if that would have given the program a more rural focus if Sanford had been on it?

C: It's hard to speculate. I don't know what Terry would have done.

G: Was the meeting with Ylvisaker before the meeting among Hackett, Boone and Heller?

C: No, no, it was after. Oh, no, that was sometime after--that was in December, I believe.

G: So then I guess that takes us back to the big meeting with the cabinet officers?

C: That's right. That's right, the one in late December. Now you asked before, and I'm not sure I really responded--I started to talk about the--you asked what that meeting was like. My memory is that [Willard] Wirtz was the most aggressive; and I believe he stalked out of the meeting, to coin a phrase. He argued that we didn't need any more damn new agencies, that he and [Anthony] Celebrezze, secretary of HEW, between them could work out a coordinated attack on poverty, that there wasn't enough money going to be in the budget. We knew at that point that we were operating with a terribly tight budget, and the numbers seem unreal in today's world. But the magic figure for that period was a hundred billion dollars, and there was a marvelous minuet publicly danced between the Budget Director, Kermit Gordon, and Lyndon Johnson. Johnson and Gordon I think knew quite well that they could, by pushing things around a bit, come in under a hundred billion and a lot of people have forgotten why that was an important number. That was the number that seemed to be necessary to get one of the great barons of the Senate, Harry Byrd, to agree to the tax cut. So that that magic number was very real. Anyway, as the budget was finally printed it showed only a half billion dollars of new money. This, of course, gave a lot of people a great deal of trouble.

Now I have to be--it's very hard for me not to let hindsight influence what I say now. We started out with the notion that we were not talking about big new budget

resources, and that was a constraint from the outset. That's why in the initial design of what came to be known as Community Action, we talked about a targeted demonstration program. We used the argument that we were all terribly ignorant about poverty and programmatic ways to do something about it, that we had to learn a lot more. We were not talking about massive War on Poverty that fall at all. That was very much the Johnsonian impact. And by saying that, I'm not saying that President Kennedy would not have also insisted on going much bigger if he was going to go at all. By the time of that meeting in late December with Sorensen and the cabinet members concerned, it was already clear that there wasn't going to be a big new program of any kind. And it was partly on that argument that Wirtz argued that it didn't make any sense, because Heller--there are several times in your questions to Shriver that were prepared, twice at least it's mentioned that Wirtz attacked Heller's proposal. What he was really attacking was the notion of a new agency.

The big debate that went on through that fall was whether or not you did sort restructuring of programs and agencies within particularly Labor and HEW, those were the two key departments, or whether you needed something bureaucratically separate from those. Now I would say that Charlie Schultze, who was then assistant director of the [Budget] Bureau--he came back sometime later to succeed Kermit Gordon as director--but he and I and Bill Cannon were the three people who were most insistent that nothing was going to happen if you put particularly the small number of dollars we were talking about into the existing agencies. That they would just get gobbled up in the usual bureaucratic crap, that it would get tied into the categorical programs with these very

strong bureaucratic links between the feds, the state, and the local governments. And that you wouldn't be able to see anything happen. There would just be a little more business as usual.

G: Was there the feeling that they weren't focusing on the poor?

C: Yes, there was a lot [of that]. Of course, a lot of the programs were explicitly not designed to focus on the poor. But there was something that's become more commonplace. Oh, one of the things that I remember--some of the more sometimes heated discussions in that Saturday morning group--I had forgotten about that--was that some of us were beginning to read enough of things like Dwight Macdonald, for example, to be very skeptical of the whole social work establishment, managing people's lives in detail and almost putting people in second-class citizenship dependent status and keeping them there, because that's the way the programs ran, by keeping them there. Rather than encouraging people to move out of poverty, you'd put them in a dependent position and lock them into it. So, it was to get out of the traditional mold. Oh, Mike Harrington, too, had written stuff that influenced us, and of course Mike then came down and for a while was a simply marvelously stirring-up member of the Shriver task force.

G: Was there in this cabinet-level meeting a conservative versus liberal view, do you recall?

C: No, I don't think that's a good characterization. It was much more a bureaucratic turf versus breaking out of that view.

G: If you favored a new agency, a breaking out of the giving more money to Labor and HEW, what form of a new agency was discussed at this meeting, do you recall? I realize it's hard to.

C: No. I do remember because there's not much to remember, in the sense that we had not yet thought through--we thought of a small agency that would be overtly a temporary agency. I think that the model we had closest in mind was the Peace Corps. Not because at that point we were necessarily thinking of Sarge. I have to separate that. But the Peace Corps was alluded to I know at that meeting by Walter and I think I put that idea in his head, but I'm not sure of that.

G: As an independent agency?

C: Yes, as the kind of model. A free-wheeling, quote, "non-bureaucratic" agency that could . . .

Then we also had the notion, too, since there weren't going to be a lot of new budget dollars, that a primary role for this agency--it would not be an operating agency--would be the coordination of programs that would remain lodged in the existing departments. Now one of the big--sometimes it's better not to be chronological, for me at least it's easier--one of the big debates that has really gone on ever since, although most people couldn't care less about it these days, was the whole question of OEO [Office of Economic Opportunity], as it came to be known, as an operating agency versus as a coordinating agency. One of the few bits of wisdom that I claim locking back at my career was that I did resist strongly and completely ineffectively when the legislation was being drafted. By this time I was in a position where it was expected I would express my views on it. I was assistant budget director. And this was the notion that OEO was going to become a significant operating agency, and that was the Job Corps. Community Action, we thought, could be a little different. That did not have to put OEO in a major

operating capacity, because that money was mostly going to be funneled down to the local level. We felt that it was consistent--and by we here I really mean Schultze and myself, perhaps also Cannon but I remember talking this out at length with Schultze on several occasions. And he and I both ended up opposing letting OEO have this major operation that came to be known as Job Corps.

G: How was that decision made to give Job Corps to OEO?

C: Oh, that became Shriver's--Sarge never really was comfortable I think with Community Action. It looked like a tricky one. It was hard to envisage in a sense just what the feds' role in relation to these agencies would be. I think Sarge has very good political instincts, and I think he knew that for him it would probably be a can of worms in many cases and it certainly was. It nearly killed the OEO in its first year, you know, because the mayors just got up in arms.

G: Did Shriver express these fears or are you just--

C: I have no clear memory of his expressing those fears. I know from Adam [Yarmolinsky] who became during this period--we already knew each other and we got to be friends and have remained close friends. But I remember Adam sharing some of this with me.

I did hear Shriver wax with great interest and enthusiasm, typical Shriver, really turning on kind of about the Job Corps. He wanted that. And he had the instinct. Johnson loved it, too, because that was--well, one. Johnson harked back to his NYA [National Youth Administration] experience and all that, but also that was something very identified and visible. There were camps you could go visit and if you're a pol that's a nice thing to do.

G: Do you think the decision was made by the President to give Job Corps to OEO rather than the Labor Department?

C: Oh. I think, yes. I think that that was an easy decision for Johnson, because he was sticking--I mean, he decided he was going to go with Sarge and Sarge wanted that. There was no reason for any kind of love or loyalty between Willard Wirtz and Lyndon Johnson. I mean, Wirtz came out of a very different part of the party.

G: But wasn't Johnson inclined to follow the advice of BOB and CEA?

C: Yes, from his point of view, on second order decisions. On first order decisions he made up his own mind. This was first order. Why? Because he had decided--remember, the State of the Union Message said that Lyndon Johnson had declared war on poverty, which made some of us quake like hell, because we didn't think that politically that was a smart thing to do. One, you're talking about a half billion dollars and you're fighting a war. And two, our analysis indicated to us that poverty was inherently a long-term problem, not a short-term problem. Quick fixes weren't going to help. Except for that part of poverty--yes, you can make old people better off just by giving them more money right now. But you can't help kids that are growing up in a culture of poverty in ways that are visibly going to turn out to have worked for some period down the line.

Anyway, as far as I know--now Shriver may know differently--except for the Yarmolinsky decision I think Sarge got what he wanted. Now I don't know, but I saw the draft bill that was finally signed off of in the Oval Office, and that was Sarge's bill and it didn't get changed. The only significant decision that Johnson made that overruled Shriver was on whether Adam could be his deputy, which was one of the worst single

things that Lyndon Johnson ever did.

G: Do you think that was Johnson's decision?

C: Oh. I know it was.

G: Why do you say that?

C: They thought they needed the votes on the Hill, and the North Carolina delegation was hostage to that announcement. I think it was a bad decision, because I don't think they counted noses very carefully. I have to emphasize that this gossipy stuff I care about because I cared about Adam. I also thought that that was a marvelous team, Shriver and Yarmolinsky. I mean, they really complimented each other very, very well. I admire the people who did serve as Shriver's deputy in OEO and yet I think that the agency would have gotten off even more effectively if Adam had stayed with that.

G: Well, it took a long time for that position to be filled after Yarmolinsky left. You know, there was a period when there was no deputy.

C: Wasn't Jack Conway named fairly quickly? I don't remember.

G: I think he was running Community Action first.

C: It may be that there was an interregnum. I know that it was a shambles for a while, because Adam had played such a key role in the task force and pulling it together. He was the one person. Shriver was doing his own thing, which was a different thing; namely he was playing the Hill and the mayors and doing it very well. But it was a Mr. Inside, Mr. Outside.

What I started to quaff, I wasn't in the Oval Office. I didn't participate in the discussion at which after some phone calls it was then announced that Adam would never

have a role in OEO. But as I say, I used that to illustrate that as far as I know Shriver got what he wanted.

G: Well now, after this meeting, the cabinet-level meeting, there was a meeting at the Ranch during Christmas of 1963.

C: Yes. Which of course I only know about second hand from both Gordon and Heller.

G: What did they tell you about that meeting?

C: I don't remember the details. I know that at one point Charlie Schultze talked to Kermit from the Ranch and it looked as if Johnson had gotten into a snit about something and was going to wash the whole idea. He wasn't locked in yet. The budget hadn't been printed and obviously the State of the Union Message hadn't been written. By the next day, I understand that Walter talked to him the next morning at breakfast and he got back on the track. I don't remember the details. Something had come up. Now whether it was the bureaucratic kicking and screaming that people like Bill Wirtz were doing, and he just didn't want that. I mean, he didn't want to have to deal with that. Whether he felt that there wasn't a real program there; one had told him what this was going to be, I don't know. I don't recall. I imagine you must have both from Gordon and Heller in the oral history; you must have at least two versions of that.

G: Do you recall if they mentioned anything about some Texas rancher friends of Johnson being there and discussing the program with them?

C: I think that it was partly the War on Poverty and it was partly a kind of a general diatribe led by Johnson goading his rancher friends on to beat up on economists, and Walter had to sit there and take all this. There is a lovely little vignette that I remember Walter did

tell me. After dinner when they broke up, he went out one door and was standing in a kind of small sitting room place with Lady Bird and I think Lynda, it may have been Luci--one of the daughters. Whichever daughter it was stamped her foot and said, "Daddy makes me so mad when he does that!" I mean, he had obviously just been goading them on and enjoying this business of seeing his pet economist getting beaten up by a bunch of his friends. But he did take off on this crazy idea about poverty or something like that.

G: I understand that the title "War on Poverty" was decided upon during that weekend. Do you recall?

C: Yes, we had this awful thing that I have to take some responsibility for, this mouthful phrase, "widening participation in prosperity." Someone had the idea--and I don't know who it was, or maybe it was collectively--in the CEA. We were very naive, nonpolitical types. And that it ought to be upbeat and positive rather than emphasizing the negative, so widening participation is terrible, just awful. And indeed in one of the memos I say, "We're desperate for new ideas about nomenclature." But we did start then to talk about the attack on poverty, and that became sort of a shorthand code word with people like Sorensen and so forth. But predictably it was Johnson himself who liked the hard, glamorous--I mean hard-hitting big War on Poverty. I was opposed to it, I confess. I think I was wrong politically; I was clearly wrong. But it just seemed to me that we were putting together a popgun to fight this war with and it was going to look silly.

Now note that in the hearings, the Republicans did have some fun ridiculing the notion of a war fought with a half million dollars. So we were not completely wrong.

We were just three-quarters wrong.

G: They came out with an Opportunity Crusade I believe as a counterpart.

C: But my memory is that you are right, that it was Johnson, it was at the Ranch that the War on Poverty [got its name].

G: Then in January there was another big meeting at the White House I think before Shriver was brought in. It was late January. Do you recall that?

C: That's right. I wasn't there. Now you're referring to the--

G: This was to discuss the HEW draft of the War on Poverty, I think.

C: I noticed that and I don't know what that's about. I have no memory of an HEW draft. I'm a little puzzled that something called the HEW draft for the War on Poverty, unless it was a memorandum that Wilbur Cohen drafted and [HEW Secretary Anthony] Celebrezze sent to the President, and I'm sure since I was of the involvement I did have that it would be probable I would have looked at it. Although I do--do you remember that date of that by any chance?

G: January 23 is the date that I have.

C: Okay, well, then I sure ought to know about it because by then I had finished. I was out of everything to do with this except the chapter, because we were flat out the first three weeks in January finishing the council's report. I was working eighteen hours a day, seven days a week for three weeks there. But that was strictly on the report. I helped draft the--took us all of ten minutes I guess to draft the paragraph in the budget message. Oh, that's not true, because I fussed around a lot. I remember, with drafts of the State of the Union Message. Oh, yes. With Heller. But Heller did most of that.

G: I think here the issue at this meeting was whether or not there would be an HEW-administered program, an independent agency, or an inter-departmental committee, a cabinet-level committee.

C: That's right. That's right, there was still resistance from HEW and Labor, and I'm surprised that--I guess the notes don't indicate--I can't believe that Wirtz wasn't still fighting like hell.

G: He was, indeed, yes.

C: Schultze and I had been pushing the need for a separate agency, but probably an Executive Office agency that would not be an operating agency, but would have a strong coordinating role. And I think we did entertain the notion naturally that the Community Action funds would be parceled out through HEW.

G: Really ?

C: I think that that may have--I don't have a clear [memory] but that sounds kind of right to me, that that was one of the options. It's this bureaucratic mishmash that I think was the source of LBJ's irritation and temporary disaffection with the whole idea in Texas. But anyway, let me just--I was--oh, go ahead, I lost it.

G: I was just going to say--

C: I was not at that meeting. I don't think.

G: Okay. The next thing that I have is that Shriver was brought on the scene, and I want to ask you why was Shriver brought in.

C: Well, from the time of the Ranch my best memory is that Kermit and Walter both at the Ranch urged the President that no matter how he ended up on the organizational thing,

that to pull the thing together and give it substance and really get going with it, he had to have a task force. And particularly, he had to have a guy, and that it couldn't be Heller because Heller had other fish he had to fry for the President, and it certainly couldn't be the Budget Director. And it had to be someone with stature because it was going to have to be someone who could then carry the freight up on the Hill with whatever was proposed. Not a decision to create then, to definitely create a new agency, but a definite urging on the part of Heller and Gordon that they'd carried it as far as they could and that it was time for someone with kind of political stature to come in and pull the thing together and give the President something he could run with. And I mean literally run with it in 1964. Because it was pretty clear that if he went with this at all, as he did, this was going to be an important part of the campaign.

G: I see.

C: Okay. They at that time, I know that Walter had a short list which included Shriver. I'm not being coy, I just don't remember the other names except that I do know that Terry Sanford was a name and a couple of his--I'd gotten real impressed with Sanford through hearing--well, I'd heard about him a couple of different ways, but hearing from Ylvisaker and his North Carolina guy, and it sounded to me like he . . . So anyway, Johnson did not do anything.

At that [January] 23 meeting, I have a very clear memory that Heller came back from that and said, "I hope he's finally going to bite the bullet." He and Gordon again had privately pulled him aside and said, "Look, this thing is floundering around. We've got to get someone in here to pull it all together." I had argued after that December 20

meeting with Walter I remember, that we were really getting in a mess, that it was practically budget time and that I didn't think any of us who were not directly engaged in this had the right credentials and the right background. We didn't know about running programs, we didn't know about the politics, and it had gotten beyond a point--we had done the analysis of what the problem was and we had some general ideas, but putting those into a legislative form of something that could actually pass and do something, was not something that was [our expertise].

So finally the President did [pick Shriver] at the end of January, just like that. I'd love to know what really happened and who talked to whom on that. My memory is that he did that very much--we had the name Shriver, had been on all the lists, but how that actually got all of a sudden pulled [I don't know]. Because as far as outsiders were concerned--not really outsiders, as far as people around him were concerned--it was a very quick decision.

G: I see. Was it automatically assumed, do you think, that if Shriver headed the task force he would also head the new agency?

C: The way the announcement was made, it was quite clear that Johnson had not only decided that Shriver--that was not the only scenario that had been suggested to him as a possibility. It was possible to think of having a task force and then someone else heading the agency.

I'll never forget that announcement, because Walter had gotten some tickets to a [Broadway show]. That's one thing I can't remember now, if my wife were here she could tell you. It was a big hit that winter of 1963-64 on Broadway. I worked my tail off

on the report and Walter and his wife couldn't go up that Saturday because they had something they had to do or whatever, so he very kindly gave me the tickets and we went up. We came out of the theater--it was Saturday night--in Times Square, picked up the Sunday morning *New York Times* and there was the announcement that Shriver had been named. It happened on a Saturday I know, because it was in the Sunday morning paper. I went back to the hotel and I said to Peg, "I'll make a bet that I have a message," and I did. Walter had called. I had to go back.

The first meeting we had with Sarge [there were] just four of us: Kermit, Walter, no, Schultze, Cannon and I, as I recall, Frank Mankiewicz, Sarge, a couple of people whom I didn't know, I can't remember. They were his Peace Corps close associates.

G: Where was that meeting held?

C: Over in the Peace Corps building up the street there--it was close--in a small conference room on a Sunday afternoon, as I recall. We began about four o'clock, lasted two and a half hours, something like that, mostly taken up with Heller and Gordon with some pitching in from the rest of us, very quickly trying to tell Shriver sort of where we were at and alert him to the terrible problems we had with the agencies. And it was that evening that the--the task force, you see, was up to him to put together. Johnson, the White House, did not give him a task force, they gave him the job of doing the whole thing. I think Sarge already had the instinct that he wanted this to be fairly big, to include some outsiders. We even started that evening I think--it may have been on the next day--throwing names around. The one person I can't remember about, and I'm curious that I can't, and that is whether Adam was at that meeting or not, or whether Adam didn't

get called till the next day. I just don't know.

G: I don't have a list for that.

Do you recall what decisions were reached at that meeting?

C: That first meeting?

G: Yes.

C: Well, my best memory is that it was decided that the task force would be quite big and would then have to be somehow--it wasn't clear--organized into working groups or something. That you wanted to get not just Washington types, but people out and around. I'm pretty sure that Walter Heller suggested Art Naftalin, who was mayor of Minneapolis at the time, and they're old friends, and Art did come and participate.

G: Did you have any insight as to what sort of intellectual baggage Shriver was bringing into this with him? Did he seem, for example, to draw heavily from the Peace Corps experience or from any other precedents?

C: I certainly had the clear impression--and I may have had the impression because he overtly said this more than once, but the impression was that he was drawing heavily on the style of the Peace Corps, where you don't pay a lot of attention to bureaucratic rank and structure, that you're looking for ideas, for people who can move things and you want to open up so that you get lots of ideas coming in. That was his whole notion of this almost town meeting kind of task force that he organized. He picked up very quickly on the notion that we have a lot to learn, we don't have a blueprint here, we're going to have to build it as we go along. This means we've got to open our eyes and ears and hear from all over. He certainly conveyed a lot of enthusiasm and there was certainly no sense at all

that he had been coerced into accepting this assignment. I had a feeling at the time, and I'm quite sure I shared this with others, at least with my wife, that there was a useful catharsis for Shriver in this in that he was a little bit putting the Jack Kennedy era behind.

One thing that I've never discussed in his presence at all was the whole Bobby business and his relations with Bobby. None of that. That was all . . . I just have no clue on that.

G: There was another large meeting on the fourth, or two days later I understand.

C: Oh, yes. That was a big meeting which I frankly remember as having been appalled and discouraged by, because it seemed to me so amorphous with just a cacophony of sound and a lot of people reinventing the wheel. Wirtz still I remember very clearly fighting the good bureaucratic fight that you didn't need a new agency or you certainly didn't need a new operating agency. That all the money ought to be funneled through HEW and Labor, and maybe a little bit for Agriculture if we have to worry about the rural types.

G: Was this meeting--do you recall where it was held?

C: It was held in a rather disagreeable, overcrowded conference room in that rented space that Peace Corps had, there at--was it H and--it's mentioned someplace. Where is that list of questions? It's the Peace Corps [building]. As I recall, the acoustics weren't good for one thing. I mean, it was crowded. There was some funny business. Heller got there late because he had something else he had to do; God knows what. And there wasn't a place right at the table. There was a lot of kind of scraping of chairs and trying to squeeze a place in for Heller. Walter made some crack--with a big smile on his face--that he was surprised at his problem of finding a place to sit down, because he thought Shriver not

Wirtz was convening the meeting. Yes, it was a good clean fun kind of joke.

I have to say that personally--Bill Wirtz had a very strong temper--except for a couple of times when he really did lose his cool, his personal relations with Heller throughout this were fine. And they were doing other kinds of business that had nothing to do with this.

G: What about the relationship between Shriver and Wirtz in this meeting? Do you recall any exchanges that they may have had or to what extent Shriver was in command in the meeting?

C: My sense is, Shriver was clearly in command at this meeting. Everyone knew that he had been given the mantle to pull this together by Johnson. Sarge was playing very much--but I think it was honest at that point, too--the, "I don't know, I'm a poor country boy. I don't know from nothing; I need your ideas and your help," role, but as I say, I think this was honest. He did not engage in any substantive discussion at all; he listened. He asked some questions. I remember most vividly his questioning with an enthusiastic questioning and probing with some of the people who actually knew what life is about at the local level, like Art Naftalin and a couple of other local pals who were there, and I can't even remember who they were.

G: Was there a shift from the idea that all the money would be spent on a community action-type program to a multi-faceted program with a youth employment plan and an Upward Bound sort of program, in addition to community action?

C: That part of it, I was not close enough to really have any good memories. That evolved over the next couple of months, at the end of the task force.

G: I thought in this meeting that the essential direction changed from a single--

C: Well, that's right, because after it did--okay, now I'll have to back up. Because it was clear that what came to be known as Job Corps--and my memory isn't good enough to know when that phrase was first used; I don't think it was that early. I think it was later on. But that notion grabbed Shriver. I think it was clear from that meeting--or at least very early within the first week or two--that that was going to be a part of the program, because that's the thing Shriver really liked.

G: In any of these sessions, did you ever hear Wirtz take the position that community action ought to be a larger part of the program and be appropriated more money than was originally allocated? If it was really going to be effective, it needed to be a larger scale, greater funded program.

C: Okay. I have no clear memory of the specific point but the slightly more general point you're just making was I think Wirtz did from back in November even argue that we were just talking about too little money.

Now I might just explain that my role here at just this time shifted, because right after the economic report I moved from being CEA to being assistant budget director. I was taking over a completely separate piece of territory in Budget. At that time there were only four appointed people in what is now OMB [Office of Management and Budget], where they have platoons of appointed people. There was a director, Kermit Gordon; a deputy director, then Elmer Staats, who had nothing to do with the War on Poverty as far as I know; and then two assistant directors without portfolio who were appointed, who were in effect extensions of the Director. And there was an informal

division between those two, domestic and national security. I moved in initially to the national security side. Now, because of my CEA role, I continued close contact with the Shriver task force, just because I had been kind of in on it, I was fascinated with it, I knew a lot of people, had been working with them. So Schultze and I both kind of followed this one. But I was terribly preoccupied trying to get on top of my relations with the [McGeorge] Bundy staff and all of that, so that this really did become peripheral or at least second-order importance to me, and only when--I had a very good rapport with Adam. We could do business together well. And as I say, he really used me sometimes to help out when he was having internal task force problems.

G: Yes. Can you recall any particular occasions?

C: Well, the occasion I recall I guess most clearly actually occurred in the post-Yarmolinsky [period], that is, after OEO was established, and this was in the terrible wrangling that went on over the role of the unemployment service and the Job Corps. That was just a deep bitter struggle. I got very much involved in that. In ending up, we in effect gave Shriver and OEO the green light to go out and do their own recruiting and bypass the unemployment service.

G: Now, did you attend any of these task force meetings after that February meeting, do you recall?

C: The answer is no. I'm not sure how many big formal meetings there were. There were constant meetings. I used to go over there and sit in on kind of smaller meetings, ad hoc meetings. Adam had a custom of getting some of his principal task force associates together late in the day, and sometimes I would go over and drop in at six o'clock, six-

thirty. But I do not recall going to any big meetings like that one during that first week that we talked about earlier. I imagine there were some, but my impression is for example that the cabinet officers were at that first meeting. I don't know that they went to other meetings. They may have. But I don't remember that. And I'm quite sure that Walter Heller did not. He had conversations with Yarmolinsky and Shriver, of course, and was in some smaller meetings, but I'm just ignorant about that whole thing.

G: Do you have any insight regarding Lyndon Johnson's attitude on the War on Poverty, what it should be, what he expected of it? How he perceived it?

C: I heard Johnson personally in more informal occasions only a couple of times talk about this effort, and both times--well, one time he did something very unusual for him. I don't know that it ever happened another time. It was a Saturday and I guess he was restless and Lady Bird was away or whatever. I don't know. He walked down to the White House Mess. He never did that. And there weren't very many of us there. I think it was fairly late, about two-thirty or something. And he plopped himself down at this table and somehow he got on the War on Poverty and started talking about his NYA [National Youth Administration] experience. I had a sense that he had two very different--he was a very complicated man, to be very unoriginal. But he had very different feelings about the War on Poverty. One, I think this was one program that really did have some kind of personal guts meaning to him because of this nostalgia, if you like, of how he got his start.

G: Who was at the table, do you recall?

C: I think Schultze was there, but I'm not positive about that. I think Lee White was there,

who was then on Sorensen's staff. A big tall guy who worked on Larry O'Brien's staff--what the hell is his name, a southern guy?

G: Henry Wilson?

C: Yes, Henry, Henry Wilson. Do you think Johnson then saw--

C: Now the other time--just before I lose it--this was at a meeting and I'll be damned if I know what the cause of the meeting was, but it was in the Cabinet Room and I was there because Kermit was, I don't know, sick or out of town or something, with a couple of White House staff people. I think by this time [Bill] Moyers was playing the role. Oh, I know, Orville Freeman was there. Out of that meeting came what was for a while known, not publicly known, but around, as the Capron task force, which turned out to be really me and two other guys. He was absolutely furious because he was getting all kinds of political heat, because the War on Poverty wasn't reaching rural America. So I went out on four forays of several days to see with my own little eyes why the War on Poverty wasn't reaching rural America. Actually it was a fascinating experience. For me it was a great learning experience. I wanted to propose that every possible Budget Bureau official be forced to spend at least a couple of weeks a year outside of Washington watching what was really happening. Because it's a never-never land, that town. I went to rural Kentucky, rural Tennessee, Arkansas and one other place that I can't remember now. But it was just really very, very interesting.

But anyway, his attitude then was it was not the substance but just annoyance that his program wasn't doing what it was supposed to. It was a political kind of concern and not a substantive concern. It was quite different than his attitude as I--

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G: He said it was a political rather than a substantive objection. Did he feel that community action was also stirring up problems for him?

C: I know he did, but it didn't happen to be something I personally . . .

G: He didn't talk about that problem at this meeting?

C: No.

G: Were there any particular congressmen or senators perhaps from rural areas who were giving him heat, do you recall?

C: There were; I just have no memory for the particular individuals. Some names were mentioned. I mean, he'd been getting--that meeting was not called for that purpose. We were doing something with one of the agricultural programs. Because I also remember that that was the meeting at which I got the Johnson finger under the nose when I made the terrible mistake--which I should have known better--of talking about problems we had with particular people on the Agriculture Committee. "You do the economics and the budget. I'll do the vote counting."

G: Is that right?

C: Oh, yes. I can't imitate LBJ, but I can imitate the finger right under the nose. So I was put in my place very quickly and quite properly; I was not a Hill expert.

G: What did your experiences traveling around in rural America demonstrate to you?

C: Oh, I guess by far the most vivid single impression I came away with from that whole experience was the crucial importance of one individual, either making things go or not go. In area after area where we went where things were going well and they were taking

advantage of what was there in that cornucopia we had put together in the Great Society programs [it was due to one individual]. This by the way was in 1965, so it's some time later. Sometimes it was a government official. I remember one of the most effective guys in rural Tennessee was a part-time hardware store operator, part-tine chamber of commerce guy. He knew how to make things work, and he had more programs putting money in there effectively--and not just putting money in, but they were effective, they were getting things that those people needed done. You could go to the next county, nothing was happening, nothing. All you would get was the frustration, couldn't understand the forms you had to fill out, people in the federal regional office didn't return phone calls. I mean just constant complaints, nothing happening. I guess that was the--

Then the other thing was that if you put yourself out there--and this was not a rural-urban distinction so much as you are inherently dealing with people who must be generalists; you don't have specialists when you're in a thinly populated, poor rural county. And there dealing with the regulations and the paper and all the rest of it is bewildering. It's not easy to find out what you're eligible for, what your county is eligible for. And that we really did need to get some way of--since we couldn't always count on the one individual doing the integrating from the county side, we had to find some way to invent a federal presence.

That idea stayed with me and one of my proposals when I was in a later incarnation a couple of years later on something called the Heineman Task Force on Government Organization, which is another bit of story I'm sure you have recorded in your files--that was a fascinating group. By the way, that task force arose from Johnson's

same frustrations: "The goddamn Great Society wasn't working, what's wrong?" He wanted to make for 1968--he was going to reorganize the domestic side of the federal establishment. Ben Heineman was the chairman of this task force which consisted of--I was by far the least of the members--Kermit Gordon, Charlie Schultze, Mac [McGeorge] Bundy, Robert McNamara, Hale Champion, Dick Lee from New Haven, a couple of other people. But anyway, it was a hell of a [group]. But one of the things I pushed there was that we ought to have a real federal action man who could pull things together out in the regional offices and have some clout as well as be just an information link. So that each county would have a contact point of someone who could work with them closely in deciding what was right for that county, from all the departments. It never went anywhere. It's a very complicated hard thing to put together bureaucratically, but it sure is needed and I still feel it's needed. Because there's real discrimination between--the large cities have it made in the sense that they can develop the infrastructure to deal on a regular basis with the feds and with real expertise and knowledge.

G: I hope that we can have another session related to some of these other things, like the Heineman task force.

Let me ask you about the alternate proposal within the War on Poverty to have a massive manpower program, especially funded by a cigarette tax. Do you recall this other proposal?

C: I just recall hearing about it. I was not ever directly involved in shooting it down, but it did get shot down. My memory is it didn't last very long as a proposal.

G: Do you recall [Daniel Patrick] Pat Moynihan's role in the task force?

C: Pat is impossible to not notice and I recall his presence very much. I remember a couple of those late night meetings or maybe afternoon meetings, I don't remember, where he was very much an active participant. But I'm afraid my memory is not good enough to give you specifics. There was a question here which kind of intrigued me, thinking about [whether] was Pat acting as Wirtz's stalking horse or was he his own man. I think Pat was his own man. He was kind of wry in talking about the Labor Department role. I don't mean he was disloyal to Wirtz, but I mean--

G: Did he take the position that the Labor Department should not run the Job Corps, that it ought to be run somewhere else?

C: I don't have the memory on that.

G: The development of rural programs here, do you recall--?

C: I noticed that, yes. My sense--and again, I think this is based on hindsight, because I'm as guilty as anyone else--[is] there was not, as far as I recall, a strong rural poverty advocate. I think there was a lot of puzzlement about what the hell you could do in rural areas. I think there was also great concern that the Agriculture bureaucracy was absolutely hopeless; they didn't know nothing about rural poverty because the department, or at least so it was perceived, is so oriented towards commercial agriculture.

Indeed, I do remember that Orville Freeman, who was sensitive to all this I think, believed that his department needed some shaking up in this regard. He, I think, argued that he wanted some kind of piece of the action, not big money, but something so that he could begin to introduce into the field arms of the department some sensitivity to some of these issues. I remember him talking about this at some time, the trouble is I can't date it;

I don't remember just when that occurred. But it made an impression on me.

But my impression is that as the OEO legislation took form that there were several points at which someone would say, "Jesus, what are we going to do about the rural areas?" or "How do we fit the rural thing into this?" I have a sense that there was a consciousness that had to worry about that. Everyone knew that there were a lot of rural poor, but some puzzlement as to [what to do about it], because it was pretty much an urban orientation.

G: There was a proposal I believe to have some sort of land reform program.

C: Oh, yes. Yes.

G: Do you recall the origin of that and what happened to it? Rebuying farm land and selling it to the poor?

C: I sure remember hearing about it, but I didn't participate actively in any time in it, so I can't help on [that].

G: Do you recall Robert Kennedy's influence on the task force or any participation that the Attorney General might have had?

C: No. Except that Hackett kept pushing hard for community action as being a centerpiece and important. But I don't have any personal memory of Bobby having anything to do with it. He was following what was going on, and I don't know whether anyone has ever asked Walter to put this on a tape.

I remember very clearly though that spring when the task force was just coming down to having the bill ready to go. Bobby used to run a salon at Hickory Hill for the best and the brightest sort of inner circle: Heller, McNamara, Gordon, Sorensen, Orville

Freeman was often there, and I don't know who else. I wasn't there. I think Wirtz [was]. But I remember I ran into Walter after one of these, and either through his brother-in-law or through Hackett, it was quite clear, Walter said, that Bobby was really tracking what was coming along down the pike in OEO. He [Walter] was kind of interested that he was so [concerned].

But my impression--now this is only an impression from my particular not close-in vantage point, was that Bobby did not personally, in kind of an up-front way, intrude himself in this. I think it was Sarge's show, and he was very sensitive to the relationship I sense. And he had Hackett and Boone kind of representing [him].

G: Did you see a transformation during this task force period in terms of what community action stood for, what it meant in effect?

C: I guess the main thing I remember, the first reaction to that question is that there was a lot of hard discussion and a lot of uncertainty expressed, too, when it got down to the drafting of the community action part of the bill, with regard to how you validate a proposed CAP. That is, who decides whether it's legitimate? Now of course part of the issue here is this "maximum feasible participation," a God-awful phrase that caused so much confusion and trouble down the road. But [part is] also this very sensitive issue which people kind of perceived but in my hearing was never very overtly and directly faced up to, and that is the question of bypassing local authority, the mayors' offices, the county commissioners, or not. Again, I can remember very heated discussions about some of the people more influenced by Saul Alinsky particularly sensitive to the civil rights issues which were never directly tied in, but they were just part of the atmosphere

when this was developing.

G: Can you recall who these people were and if they were exponents of Alinsky's precepts?

C: I think that I associate Hackett with some sympathy with this view, that you've really got to give neighborhood groups, community groups, give them their head and let them run with it. So it does ruffle some feathers, okay. I think that a guy whose name I haven't thought of in a long time but I was reminded of it, I happen to know him in a personal context because of his former wife. Eric Tolmach. Eric was kind of a young let's-rouse-them-up, let's-stick-it-to-the-pols.

G: What about Dick Boone? Did he fit into this philosophy?

C: Yes, I think so, although Dick is a little quieter, a little more--that's not true. I started to say he really isn't quieter. He doesn't have the same impact on a group sort of immediately as Hackett did. But in this context I don't have any clear feeling about Dick. Let's see though, who else was . . . Oh, Paul Jacobs was just all for using this as a device to shape the system and very overt about this and getting a lot of amusement about sitting right in there close to the center of power saying all these things.

G: Was it sort of ironic that here you had the Bureau of the Budget, which was normally regarded as a very tight, relatively conservative, organized arm of the government advancing a rather radical notion?

C: Well, I think there are two comments that I would make on that. First of all, you have to distinguish between the institutional Bureau of the Budget and the fact that a couple of us in-and-outers like Cannon and Capron and Schultze might have had some of these ideas.

And the second thing, it's overstating to say advocating something. At the time

we kind of let loose to the Shriver task force we hadn't thought through what a community action agency is going to be really and what its relation to city hall is going [to be]. Oh, we had some loose talk about there's got to be a way. We knew just enough, but not much more frankly, to know that in Marks County, Mississippi, ain't nothing going to happen unless you end run the county commissioner. We knew that much. But how you do that, and can you do it, we were not thinking about.

G: But you did see it then as a tool for bypassing the local power structure?

C: Well, whether it should be or not, we saw potentially that that was one way to go, but could you go that way? We were fairly timid I think in thinking about this. A lot of the discussion was how loose can we make the language--this is now in the task force. But I remember [thinking] how loose and fuzzy can we get by with the language so we don't have to face up to this issue on the Hill. Everyone was scared to death that this would be--and the language if you look at it, the way it came out in that first community action thing, is fuzzy as hell on purpose.

One of the interesting things--and this is strictly hindsight talking now, I'm very conscious of it. But the mood, the attitude that I remember from--I don't know of any exception to this, maybe Freeman, Orville Freeman. But except for that, the sureness on our part, all of our parts, that the states were part of the problem and not part of the solution, and we got to work around the states. I think now in retrospect that was a bad mistake. Even though in the short run they were, the states were awful. They still are awful in a lot of ways. But goddamn, you've got to bring them in and make them part of the solution rather than part of the problem. It takes longer. But as I say, I've had a

complete 180 degrees. I was one of those who was sure that if you wanted this to go anyplace, just don't have the states in it, because they'll screw it up.

G: Was this then what community action meant to you?

C: That was partly it. And it was the same ideology that Schultze and I had in our heads that both of us then bought when a year later we invented Model Cities. Again, a bypass of the states. Again, a mistake, I think now with my gray beard.

But that's something that was I think one of the common elements in--as I say Freeman may have been [an exception], and not surprisingly, because if you're dealing with a rural thing then the states have got to be more important.

G: Sure. Someone who had worked with the task force I think and with the legislative aspect of getting the program through made a comment to the effect that if Congress understands what community action is, it will never get through.

C: Oh, yes.

G: Do you think this is a valid [view]?

C: Oh, yes. And there was, as I say, I can remember in Adam's office the phrase I used before, "how fuzzy can we keep it, because if some of them really understand what the implications of this are, we're dead."

G: So in a sense, you really did anticipate some of the conflict that community action would become embroiled in?

C: Some, yes. I confess that I personally did not know enough at the time or think hard enough or sensibly enough at the time to predict that within a year some very important mayors would be up in arms trying to kill the damn thing. Now, of course, the really

smart mayors--Richard Daley--co-opted CAP. I wasn't smart enough to forecast that either, although again, I've learned a lot since then. I was much more of an economist's economist at that time than I am now.

G: Daley, at the hearings [in] 1964, testifying in behalf of the bill, gave an indication that that was exactly what he would do.

C: Oh, yes.

G: Well, how about the White House? Was the White House as uninformed about the bill as the Congress was, do you think?

C: That's my impression, but it's only an impression. As I say, I think--as I said earlier I believe--that the signals that the White House staff and we in Budget got were pretty clear, and that was that Sarge was going to get pretty much what he pushed.

G: You never sat down with Bill Moyers or someone else on the White House staff who had had access to LBJ and say, "This is what the potentials of this program will involve."

C: No. No. I'm quite sure the answer to that is yes. I did in 1965, when there were loud complaints coming, have some conversations with Moyers, but not beforehand, no.

G: All right, at this point what was the White House attitude toward community action, let's say?

C: I think they liked the sound of it, sounded good. That the notion of citizen participation was sort of right for that era; it fit in with the civil rights thing. The other thing people were very concerned about, by the way, in the White House--this is one thing in the White House; now it all comes to me, and I think this cane from Moyers but I'm not sure, just as he was moving in and really taking over there--[was] let's not make the War on

Poverty a war on white racism. Let's keep this separate. We had been sensitive to that. If you go look at the language, I mean this is very remote from reality I guess, but when you're involved you don't acknowledge that. In writing the economic report of the President, we were at some pains to emphasize that while a larger fraction of black people are poorer than white people, that poverty is not a black problem. Three-quarters of the poor people are white, and that's in that chapter at three different points at least I think. That was some sensitivity. And in the Shriver task force again, [there was] real sensitivity that while people were quite aware, a lot of us were, that there was potentially a very symbiotic and useful relationship, that we didn't want to get that.

Now it happened on the Hill anyway, of course. I mean, the southern resistance . . . You know why Adam was blackballed by the North Carolina delegation. You may not know this story. Adam was special assistant to McNamara in the Defense Department. The Yarmolinsky task force came out on housing and other facilities for the troops near military bases, which was a blast about the segregation practices impacting black troops in the South. Unfortunately for Adam, his name got attached to that report and there was fury on some of the southern [congressmen] and they were out to get him. They didn't really give a damn whether he was deputy director of OEO, but they didn't like what he'd done on this.

Adam had the best--I'll never forget my introduction to Adam. The first month I joined the CEA and there was some business about the impact of Defense spending on the economy, some task force was set up. I have always had fun teasing Yarmolinsky ever since, because he had the most Orwellian title, this fancy office of the secretary of

defense, and over in the corner, the special assistant. Not special assistant, the special assistant.

G: We talked about the Congress's grasp of the Community Action Program and the White House's. What about Sargent Shriver? Do you think he understood the implications of Community Action?

C: I don't know. I think I may have said earlier, but at any rate, my sense was that Shriver had the instincts to be nervous about it from his point of view from the very outset, because I think he realized this could be a source of conflict at the local level and therefore a problem for OEO. But I never heard him articulate any very specific--but he was nervous I think from the outset about the notion.

[End of Tape 2 of 2 and Interview I]

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