INTERVIEW II

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INTERVIEWEE: FREDERICK O'REILLY HAYES

INTERVIEWER: Michael L. Gillette

PLACE: Mr. Hayes' office, Lexington, Massachusetts

Tape 1 of 3

H: During the period of the President's Task Force on Poverty I was an assistant commissioner of urban renewal, but I was working some substantial amount of my time on the development of the poverty program. My first meeting on the program was on the day that Kennedy was assassinated. So that it began in 1963. I was with the program from the time that it was enacted and funded, and left in September 1966.

G: You were there through an awful lot of certainly the formative period as well as the--

H: I was there during all the time that it was fun.

G: Did the Community Action Program work with the Ford Foundation in getting started?

H: We didn't really work with the Ford Foundation at all. During the period when the act was under development and during 1964, while the bill was being considered by the Congress, we saw a lot of people who were involved in the Ford-financed programs. That was partially due to the role of the staff of the President's Committee on Juvenile Delinquency under Dave Hackett in the development of the community action program. The typical program funded under the PCJD involved funds from Ford, sometimes from the National Institute of Mental Health, often from a unit of the Labor Department, the initials of which and name I've forgotten, that was making grants for manpower training under, I think, a

1961 act. So there were a variety of agencies and many different people involved in these programs that Ford had provided seed money.

A second factor was that we were looking at places that already had something that you might call a poverty program. We were talking to people like Mike [Mitchell] Sviridoff, who was running the New Haven organization, and Joe Slavet, the director of ABC in Boston. All of these organizations were organizations that had been initiated in various ways but they had some form of Ford support together with other monies.

And we also knew the Ford people well, especially Paul Ylvisaker, who headed the division of national affairs. Dick Boone, the key staff man on the Community Action task force, had worked for Ylvisaker at Ford and Ylvisaker was also an old and good friend of mine. The contacts were there. But, at the same time, except for our interest in model programs with Ford financing, I don't think that we were turning to Ford. We certainly weren't turning to them for advice. As a matter of fact, we weren't even talking to the Ford grantees for advice on how to structure the program.

G: Do you think that the Community Action Program displaced the Ford Foundation work in this?

H: Ford funding continued for a while. Initially, community action provided funds to substantially expand programs started with Ford Foundation help. And sometimes CAP money did not go into the same programs or it went into a broader complex. It did go into the Ford-initiated programs in Boston, in New Haven, and in some other places. For example, the Juvenile Delinquency Committee in Los Angeles was the core of the initial poverty program there although it was restructured. And in cases of this kind, the effect of

community action money was really one of scale, because the programs had been pretty small before that.

G: Let me ask you to describe how you developed a set of guidelines or standards for awarding grants.

H: We wrote a manual and used it while it was still in draft. We had standards taken from the act, but the initial draft was not awfully prescriptive. We had a limited number of requirements. One of the reasons for not specifying things that could be done and things that couldn't be done was to provide some room for the program to be adapted to what was wanted or needed or what was supported in individual communities.

G: Could you give me an example of the sort of requirements you would include and the sort of latitude you would have for those?

H: The manual itself provided a great deal of latitude. That didn't mean, of course, that proposals were necessarily going to be approved. We were very open on structure because the act included the provision that permitted grants to go to nonprofit organizations as well as governmental bodies. Organization was a problem only in the sense that, except for demonstration programs, we insisted on consensus organizations of one kind or another. We would not give money to a group that set itself up in opposition to the city administration, or to a government organization that did not provide adequate participation. This was the major problem in the early approval of grants. We tried to force local agreements among the parties of interest. So [we approved] whatever type of structure was one which at least technically brought everyone together.

Second, on types of programs, we provided in the material that we gave to potential

applicants a wide range of possibilities. We told them the kinds of activities that we would regard as being Community Action anti-poverty programs in the meaning of the act. We were willing to look at many different approaches. Some proposals were rejected as not really addressing the poverty problem.

Third, we had a requirement that these programs had to serve people who were poor or serve areas or groups made up primarily of the poor. There was a certain amount of ambiguity in some programs. We were not talking, by and large, about means-tested programs. We had a standard for the areas in which they would operate; the applicants had to provide evidence that those areas in fact were occupied predominantly by people who were impoverished. That was to some extent a judgmental line. Few areas as large as census tracts (the usual unit) had as high a proportion as 50 per cent of the population meeting poverty standards, even in the big city slums. Near poverty covered a large number of the people in the typical slum. What we found on the Community Action Form 5, in which these data were put together, was that in an area that was visibly and, at least to the eye, demonstrably poor, only about 25 per cent of the people met poverty standards. When we found an area with a substantially higher proportion--Boston South End was one of them--it came out of skid row-like characteristics, a population including many unattached individuals, rather than families, a phenomenon that was a little Bowery-like in terms of the characteristics of the people.

But as I said, it was a judgmental line. When benefits were provided to individuals, we wanted some indication that they would, in fact, go to people who were actually poor. But beyond that it was fairly open.

There were problems on proper allocations of resources. That was an early program problem. It's easy enough to devise formulas that are going to be fair, but we knew that during the first year that we were not going to have every program off the line at the start. Consequently, the first-year allocation had to be a little bit skewed toward those who were able to do things. I know, for example, that in the first year we overfunded New Haven, because they were ready to go and other places were not. As other places caught up, we pulled back in New Haven.

G: Was there an effort to disperse the grants regionally around the country so that there was a balance?

J: Yes, there was. There were several types of efforts. We tried, even before the enactment of the poverty program, to stimulate interest, to encourage communities to start work so that we would get some early, acceptable applications. Outreach of this kind went notably to cities but also to rural areas. In the task force we had people from the Department of Agriculture, like Jim Sundquist.

G: John Baker, did he help any?

H: No, I don't remember. I remember Sundquist, and I remember one fellow who did yeoman work on it. His face is before me, but his name I can't remember. We were, for example, working Appalachia. I could not even tell you how uniform our coverage was at the end of the first year. I would guess probably not bad, but certainly with some gaps. The first year was a nine-month year, and there were certainly a lot of places, and they were more likely to be rural, that didn't get in the first year.

But also in the first year the initial grants often were planning grants; you couldn't

do much else in some communities but give them planning grants. There were many places without the capacity to develop an application and without an appropriate organization. That was more true, incidentally, in rural areas because sometimes they were multi-county and lacked an appropriate entity, or voluntary organizations that were strong enough or big enough or experienced enough to take it on. It took time to get started. In some places we had help. For example, the North Carolina Fund had been created before OEO [Office of Economic Opportunity] largely for the same purposes. George Esser and Governor Terry Sanford were already starting programs of various kinds through the fund.

G: You mentioned the outreach that you had in encouraging the submission of grants, grant applications. Let me ask you to describe in detail where the impetus for the grant applications came from. To what extent was it people in government suggesting, encouraging communities in need to put together a plan? To what extent was it spontaneous, and if so, what groups in the community would get together?

H: Some large part of the demand, you'd have to call spontaneous. There were just too many applications to have been induced. During 1964 before the act was passed, I met with Dick Daley in Chicago, with Jerry Cavanagh, who was then mayor of Detroit, with Joseph Barr, who was mayor of Pittsburgh. I certainly met not with Bob Wagner, but with [Paul ] Screvane and Ann Roberts in New York. I also met with John Collins in Boston. Before the act went through, we were down talking to folks in Georgia, in the state government. A lot of activities of this sort were going on. Where funds were available to plan or organize we encouraged them to do it. And in some organizations, they did a lot.

G: Were these meetings with the mayors informational meetings? Did they request it or did

you approach them?

H: No. By and large we approached them.

G: Informed them about the--?

H: That's right. And tried to get them started. One thing that's interesting in view of some of the later comments is that my approach (in the pre-program days) was always with mayors, just simply because I didn't know any other place to begin. We assumed that the mayors were going to be heavily involved. But after that, the War on Poverty got an awful lot of publicity and it didn't take long to start having applications come in and inquiries and so on.

G: How much did the representation of an area by a member of Congress affect the likelihood of the grant being approved, the application being approved? For example, if it were a group in Adam Clayton Powell's or Carl Perkins' district, would that influence the [decision]?

H: I would say we had two types of problems with the Congress. One was a problem that really was the Adam Clayton Powell and the Carl Perkins problem. The Carl Perkins problem was not really a very great problem. He was heavily involved. I remember Jack Ciaccio, who was handling Appalachia for us, saying one time that he was in his office working at seven or eight o'clock on a Sunday night, and the phone rang. Ciaccio said, "I knew that Marian was out for the night, so it couldn't be her," surprised that anyone would call then. He picked the phone up and it was Carl Perkins. There were no preliminaries. Perkins just began: "Hey, Jack, I've got this problem down in--" Jack said, "Dammit! He expected me to be there." And that was true. But Carl was not really a problem.

Adam Powell was a problem because he was chairman of the House Education and

Labor Committee. Powell was unpredictable; he was capable of gratuitously creating problems. I think he felt that way himself. We had three that were really Adam Clayton Powell problems. One of them was Cleveland, in which I don't think that Powell was the least bit interested, but he encouraged a group in Hough in the central area, led by two or three white Protestant clergymen to take on the mayor and the administration of the city in a battle.

The second one was Chester, Pennsylvania, where there was an organization called the Committee for Freedom Now headed by a black man named Stanley Branch. I went into both cities myself. This was very early, before OEO was funded. Essentially, I forced a solution. That is, I told the mayors we would not fund a program until they took care of the dissidents, and told the dissidents we were not going to fund a program for them separately. A very, very painful process. I always remember when we finally had Chester together, the Republican mayor, conservative, James Gorbey, and Stanley Branch came into my office, with everything worked out. But they came in, and I had a phone call just as they walked in my office. It was a call from a black dentist who had been on the committee with Stanley Branch, and he said, "Mr. Hayes, I know Stanley and Mayor Gorbey are there, but before you meet with them I just want you to know that we have now created the New Committee for Freedom Now." That sort of thing happened. Immediately, Milt Shapp had come into my office in the middle of the controversy and said, did I mind if he could help? He was not governor then. I don't know whether he made any kind of contribution or stirred the waters up but I figured any help would do.

The other case with Powell was the handling of HARYOU-Act. I think Powell

ultimately compromised on the idea of an independent grant for HARYOU-Act and agreed that in fact it would be handled through the city administration as the city wanted. I think that the city regretted it afterwards. But after that, Powell made noises but I don't think he was a great problem.

The second set of congressional problems came primarily from cities or jurisdictions that had more than one congressional district. In nearly all those cases the congressmen usually fought or objected to what the mayor was doing or the city administration was doing. There were only a few exceptions. Pittsburgh was not entirely in the [William S.] Moorhead district, but still Moorhead was very supportive of the Pittsburgh effort. [Illinois Congressman Dan] Rostenkowski also backed Mayor Daley. He was very supportive of the Mayor. I'm not sure that Bob Wagner could have gotten a single vote out of his congressional delegation. I know I talked to a good many of them myself. They were frying different individual fish. I do not think there was a congressman in Los Angeles County who was supporting [Sam] Yorty on anything.

There were problems on the other side of the operation. There were problems with the demonstration grants, like those with Mayor [William F.] Walsh in Syracuse on a grant to an independent organization. I'd say, in retrospect, that many of the demonstration grants were almost certain to create problems. I didn't think so at the time. But the grants were going to various types of nonprofit groups, often activists or to academics. They were not usually constructed out of consensus and compromises, nor could they be. But aside from that, we didn't have as many problems with the congressmen as we had with mayors, not by a long shot.

G: Why was this?

H: Oh, I think that the mayors were not used to having to deal with new constituencies, and they were not used to having to go through this process of compromising. Curiously enough, I think that they felt--although it varied among mayors--that they were elected to run operations like community action. Many of them, but not all of them, found it hard to work it out. There were notable exceptions: Jerry Cavanagh in Detroit and [Joseph M.] Barr in Pittsburgh had virtually no problems. Sam Yorty probably could have avoided problems if he'd wanted to, but he was very combative. I can't even remember who the devil the mayor of San Francisco was, oddly enough.

G: Wasn't it [Joseph L.] Alioto?

H: No, before Alioto, John F. Shelley. I remember one meeting where he was objecting to the neighborhood groups taking over the program under an agreement he made. And I asked him, "Mr. Mayor, I have looked at the problem and I understand your complaint, but I don't understand what you think that we can do about it. We're faced with an agreement that you signed." And he agreed with me. Yorty maintained that the OEO-CAP staff had incited problems in Los Angeles. Governor [LeRoy] Collins, who was heading the Community Relations Service together with Roger Wilkins of his staff, had meetings with the mayors of some of the cities where they were worried about riots. Yorty made this statement in a meeting with Collins and Wilkins and me. I said, "Mr. Mayor, that's not true." He got up, said, "I'm not used to being called a liar," and walked out, much to Governor Collins' consternation.

There were continuing problems with Mayor Daley on one thing or another. Deton

Brooks, who headed the program, was not inclined to work things out. It was sort of one battle after another; most of them were resolved through the White House.

G: Could it have been worked out in Chicago? Were the perspectives so different?

H: Our problems in Chicago were always funny problems. We had problems with bad grant applications; we had problems with structure. But oddly enough, our problem in Chicago was not a lot of people coming in and complaining about the mayor, or even Daley's opposition to the more militant groups. What the devil, we made grants to TWO [The Woodlawn Organization] separately. But I don't know, Daley just had a lot of muscle; his people knew it, and they used it. I don't think they exercised much sense, because often they started major battles on things that were not very important to them.

G: I know in a lot of the education issues when Daley would have battles with HEW, he would go to the White House.

H: He would.

G: Can you recall instances where he did this with OEO?

H: Oh, he did it all the time.

G: Did the White House support him over anybody else?

H: Always. Always. We had one application--an anti-rat program. It was expensive; it was not a well-developed application. Shriver got the word from the White House--I think, he never told me that, as the story will make it clear--to approve the application. He said to me, in Sarge's typical understated manner of speaking, "Fred, tell the guy who's handling that Chicago application for you that if he doesn't get that up in my office by next Tuesday he's through." Bill Bozman took the application up on schedule and went over it with

Shriver. Shriver said to Boz, "Boz, is this a good application?" Boz says, "No, Sarge, it's not a good application," at which point Sarge threw his hands in the air and said, "Boz, if it's not a good application why are you bringing it up to me?" The staff finally had to support the application, at which point Shriver signed it. It seemed fairly obvious that Johnson had told him he wanted it approved.

But Daley was an exception. Mayor Wagner in New York would sometimes talk to the President, but more often with Vice President Humphrey. Or Paul Screvane would talk to Humphrey. But only Chicago was just a continuing problem. The Chicago people attacked whoever was working with them. At one time, after one of these debacles, I sent Boz--who must be the most reasonable person that I know of--to Chicago to work the thing out, and a week later they were vilifying him! It was utterly impossible. Ultimately we just had to face reality and say that this was just a special case. It was one on which the President was going to be on Shriver's back if he didn't keep Daley happy, and Shriver would be on our backs without ever telling us that the President ever told him he had to do anything. But that was an exception.

G: I guess the most controversial grant in Chicago was the one to the Blackstone Rangers.

H: Yes.

G: Let me ask you to recall as much as you can about that.

H: Well, oddly enough, I know comparatively little about that grant because it was a grant that was made on the demonstration side of the program and, I think, made before I became deputy director of the program. I know something of it because of Jerry Bernstein and Roz, the OEO staff on the grant. But I don't really know very much about the details, and I recall

less than I knew.

G: Did the White House get involved in that one, do you think?

H: I'm sure they did, but I don't remember it. The President would read the papers every morning when the Community Action Program was producing a certain amount of conflict and noise. And if we hit the front pages of the [*New York*] *Times* or the *Washington Post*, then Shriver was going to hear from the President in the morning after the President read his paper. When Shriver heard from the President, I would hear from Shriver. There were many mornings like this.

Sometimes they were on issues that were really negligible. We had two reporters in Washington, Eve Edstrom of the *Post* and a young fellow at the *Star* whose specialty was the leaked memo. I always found it rather odd. I'd read the damn stories and then try to find the memo. They were always memos that I had never seen, and Shriver had never seen. They were nearly all written by junior personnel. I had a theory, never demonstrated, as to who was doing it, and the problem seemed to stop after he left. Sometime I'll have to ask the guy, but I'm still not sure. But whatever it was, it was making news where none existed; they were nonissues.

G: Did Shriver have any formula for dealing with Daley? He had I guess known him when he was in Illinois.

H: No, I don't think that he did. Oddly enough, we did not have a situation where Daley was calling Shriver. I'm sure Daley did talk to Shriver, but the fusses came out of Daley talking to the President. But I think that's just the way that Daley operated. On the other hand, I don't think that Shriver, unlike the federal urban renewal and housing administrator, worked

hard cultivating Daley. It may have been hard to do in the anti-poverty program. I had talked to Daley before the program started to convince him that the city really ought to get started on attempting to organize and put it together. I didn't really get any kind of reaction out of Daley. It was not like talking to Cavanagh or to Barr or Collins, who all really wanted to get started early. Daley was, I thought, rather skeptical and suspicious, even at a time when it was clear that the act was going to go through.

G: On these chain phone calls, when the White House would call Shriver, and Shriver would call you, would you say that Shriver would generally back up Community Action or support you, or did he simply transfer the heat that was being passed on to him?

H: I think he just transferred the heat. Certainly during the first year, I don't think that Shriver ever really felt that confident that Community Action was doing the right thing by him. Plus the fact that a good many of the problems came not from leaked memoranda, not from conflicts with grantees, but from what grantees were doing by themselves. I think the President was going to pin some of that on Shriver; I think Shriver was going to pin it on us, although I'd say in most instances of that kind it was not anything that was in any way avoidable.

G: Do you think that there's any substance to the notion that the people at Community Action were in effect waving red flags on purpose, trying to generate controversy?

H: No, I don't think so. I'm sure there had to be exceptions, but by and large, by and large, it was not so.

G: For example, when you have a situation where let's say a grant application or a program was obviously something very important to a powerful politician, do you think that the

people in Community Action would tend to be more eager to resist that simply because they wanted to be as far away from being influenced by this political impulse?

H: Well, I don't know, they might have had some inclination in that direction. I'm sure that Chicago's Community Action Program was not the favorite of anyone in Community Action. I think that there had to be a feeling that the purposes of the act were being perverted or strong-armed. I don't know anyone who got awfully upset about it, but I'm sure some people did. The demonstration programs were often dealing with groups who harbored in one way or another feelings that certainly were not strongly pro-establishment. I don't think anyone ought to be surprised at that. In any kind of experimentation, you're not going to find much that really fits the general purposes and flavor of the act and is, at the same time, strongly pro-establishment.

G: What about Johnson? Was he establishment in this sense or anti-establishment?

H: Yes. Well, he certainly behaved that way. Someone once said the President really wanted it to run like the National Youth Administration--and there was no way it was going to run like the National Youth Administration. He wanted the Community Action Program to be some thing that everyone said good things to him about, including the mayors and a lot of other people. And we all would have liked that, yet I don't think that there was any way it was going to be that way. I might have thought so in 1964, but by the time 1964 was over and I had already been through Cleveland and Chester. I thought then that we had just not been smart enough to realize that the civil rights revolution had created an environment, a climate that was just totally different and not consistent with a NYA type program. If we weren't initially trying to avoid problems with Adam Powell, it may be that Shriver would

have said be tougher on the Chester and Cleveland cases, which were not cases that they were awfully good on either side. We might have done some things differently, but I think the key fact was that the country was different than it had been. I think that that's just inadequately recognized. And there were a lot of things Community Action was not; it was not a rabble-rousing outfit. I'm sure it had some individuals who were inclined in that direction, but I would find it hard to even pinpoint the name of one of them.

G: Really?

H: No, I don't think that was consistent with our recruitment. Community Action recruits were mostly young--and probably more liberal than an older staff. But the staff was certainly not recruited from the people who were militants or social activists. I doubt that you could say we went any farther in terms of radicalism than Vernon Jordan, who was and is a careful and prudent fellow. But we just didn't have many radicals.

G: Do you recall the substance of any other calls from Shriver regarding White House complaints?

H: Chicago was the main thing, and the newspapers. I don't recall the individual things, but there were--

G: Johnson didn't like leaks, for one thing.

H: He didn't like leaks, he didn't like trouble, he didn't like anything of that kind. Also one thing that I think is missing from the flavor of your questions is Johnson didn't like Shriver either.

G: Is that right?

H: I think that it was quite evident.

G: Why do you say that?

H: I don't know; it's a good question to ask someone like Bill Moyers. But I think from Johnson's point of view, Shriver was with the Kennedys and it was just very, very easy for Johnson to dump on Shriver.

One of the other things on which there were calls was the savings bond program. I was astonished when the damn thing came up. I was off in the field somewhere, and I came back, and Shriver says, "The President, with the Vietnam War financing and all the rest of it, has suddenly picked up on the savings bond deduction program." We were located technically in the Executive Office of the President. He beat on those agencies. The Bureau of the Budget, not a very compliant organization, why, it managed to reach nearly a 100 per cent payroll deductions. An almost incidental, unimportant fact, seemingly something that never came up, was that the young people in CAP were strongly anti-Vietnam War. The saving bonds deduction was really the first manifestation I had of this. They were not going to take pay roll deductions to pay for the war. And Shriver said, "You've got to talk to them," and I talked to them, but it didn't do any good.

My impression was that the President found it very easy to dump on Shriver. I don't think he figured he owed him anything, and I don't think he was giving him the Johnson treatment as to what he wanted to do. I don't think he was telling him anything specific except the things that he didn't like.

G: Do you think that Shriver was basically loyal to Johnson?

H: Yes. Well, I don't know. I find it hard to know exactly what that ends up meaning. I don't think that Shriver was going out selling anyone but the President, regardless of what he

thought about it. But no, I think Shriver--although I couldn't say for sure--played it fairly straight with Johnson.

G: Was Texas a problem?

H: No.

G: Because it was Johnson's home state?

H: No. We had very few problems in Texas. Who was the fellow who ran the radio station for Johnson?

G: Jesse Kellam.

H: Yes. I went down there. I think I was down in Texas only once during the two years. I got down there and I had a message from Kellam asking if I could have lunch with him the next day. I didn't even know who Jesse Kellam was, and I called up our regional director--Bill Crook, who was later ambassador to Australia. He said, "Yes, you better have lunch with him." So I did. He was talking about the NYA and how it was different from community action. A nice guy.

G: Kellam had worked in the NYA, succeeded Johnson in that job.

H: Yes, I know. He was talking about it, and I think recognized that things were rather different and kind of had to be different. But we had a good conversation. I can't recollect any significant problem in Texas.

G: Was [John] Connally generally supportive of the program?

H: I think so, but I don't really remember. We funded a state anti-poverty program. I don't even remember who ran that, and I don't remember meeting with him. But [in] the poverty program, Texas was not a problem state. I don't know exactly why it wasn't a problem, but

it wasn't. I can't think of a single problem there.

G: Anything on Mexican-American programs in the Southwest that is significant?

H: Mexican-Americans and migrants in the Southwest, as a matter of fact Southwest all the way to Kansas City, were involved. In areas where you had mixed groups I think the general feeling was the Mexican-Americans were not as aggressive as the blacks and that that showed in the program. Los Angeles is a good example--

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H: We made a grant for something, I can't remember what it was for, to [Cesar] Chavez at one time. It would have been a demonstration grant.

I was just about to mention Los Angeles, the Compton and Watts areas, black population, of strong interest to Gus Hawkins, were big problems. But I can remember talking to Ed Roybal in that period but I can't remember East Los Angeles and the Hispanics being a major problem. My memory has probably faded a little bit on that because I can't imagine them being any more enthusiastic about Sam Yorty than the blacks. Yorty certainly wasn't doing anything to appease them, and there were Hispanic neighborhood organizations. But it never seemed to become a very noisy issue.

In the non-California Southwest--New Mexico, Arizona--the local poverty programs were very heavily Hispanic and dominated by Hispanics. That was only place in the country, except for the Hispanic parts of New York, certainly the only place in the country where the Mexican-Americans seemed to be very strong. I think the consciousness came later to the Hispanics and later to the Mexican-Americans than to the Puerto Ricans. That made a difference. They were participants in the program, but the protests, the

militancy, and the noise came from a civil rights movement that essentially was black. That was the precedent, and I don't think there was then a comparable tradition among the Hispanics. Or I shouldn't even say tradition. I think they were still really quite remote from that.

G: Let me ask you about Ted Berry.

H: Yes.

G: Why do you think he was selected to head Community Action?

H: Oh, I think Ted had great credentials. He was black, he had been a national officer of the NAACP, been on the national committee, knew everyone in the national black community, was an attractive personality, a self-made man, vice mayor of Cincinnati, clearly intelligent, no dummy. Nonetheless, for that job I think it's fair to say he was probably a disastrous choice or a near disastrous choice simply because that wasn't the job for Ted. He would have made a great judge if anyone had ever had the wit to put him on the bench, for he had had a very, very judicial temperament. But he really knew nothing about management and administration, and was not going to learn very much about it in a hot spot like community action. Some people are appointed and the appointers discover belatedly that they're utter dummies, and Ted was not an utter dummy by any means. He was just put into something that was utterly new and under very, very difficult circumstances. The program alone was difficult enough. Working for Shriver and for that organization just added to it. I think it's typical of the better bad choices that Washington makes.

You asked why couldn't they fire him? Ted wouldn't resign; he said he'd resign if the President wanted to appoint him to the bench or maybe to the SEC [U.S. Securities and

Exchange Commission] or the FTC [Federal Trade Commission]. Ted's status in Cincinnati was with the charter movement, not with either the Democrats or the Republicans, and the President could not get the support of the two senators from Ohio to make those appointments. So I don't think that Ted ever talked to Lyndon Johnson. I think he just talked to Shriver, and he just told Shriver, that "if the President wants me out, why the President ought to call me up and fire me." Shriver never got the President to do that.

G: There are memoranda in the White House to the effect that "we ought to get rid of Ted Berry," and it never seemed to happen.

H: Probably if he were white, it might have happened. But it didn't, and Shriver finally concluded it was not going to happen and told me, "I just want it understood clearly that you're running the Community Action Program and don't expect any help from me with Ted Berry." That he was not the President's problem or Sarge's problem; he was mine.

G: This must have been a difficult situation for you to be in.

H: It wasn't too bad.

G: Did you work with Berry in that situation?

H: In a way it was not too hard to work with Berry, I think for several reasons. One of them was that Ted came in after we had already been running that organization for a while. His intervention, it was selective; I guess maybe the intervention of all of us was selective, and he would get involved in some issues in a big way.

G: Which ones, for example?

H: I remember a long one. There was some kind of a dispute in Memphis and Ted was going through this thing meticulously. I think he had the people from Memphis, both sides there,

but going through it item by item very judicially, taking a lot of time on it that I couldn't have spent or Boz couldn't have spent, but he would go through it.

I don't know, it's hard to say, particularly if you don't know very much about administration or management, exactly what you do do if you come in in that capacity to run an organization. I think in a lot of ways Ted mostly just did not run it. Some of that depends upon all of the things coming to Ted from Shriver's office. I began to realize that if Shriver had anything good to say about Community Action he'd call me up; if he was pissed at something that didn't necessarily require any kind of early remedy, he would get on Ted's back. A little bit unfair. And Boz dealt a lot with Ted on different things, trying to keep him up to date.

But this crazy thing on individual applications is not--I mean, who wants to look at individual applications? I don't want to look at individual applications; Shriver did, and he was wrong. But I mean you could bury yourself in that. And the administrative assistants were pretty much set up. There were things that bothered Ted and he would get on [them], like getting the auditing program started. Shriver got on that, too.

G: Let me ask you to expand on that.

H: Well, we had to initiate an auditing program; we had to tell people what we wanted to audit. As I remember, it was somewhat slow in getting started. I agreed with Shriver and Berry on it, but I did not get it done as fast as either one of them wanted. I didn't because of the fact that other things had to take priority. There's no way in which I was going to be able to talk to either Ted Berry or Sarge Shriver about those priorities. In fact, Shriver's basic notion was that you did everything simultaneously. You had to go for priorities. I had two

people working in the general area of accounting and auditing. They did do a pretty good job, but they had to come out with accounting rules and a few other things first. So we did that first.

G: You mentioned Ted Berry's strengths and weaknesses. Let me ask you, what problems with the Community Action Program would you attribute to Berry's weaknesses, say his lack of administrative--?

H: None, for all practical purposes.

G: Really?

H: You know--

G: Then why would he be a disaster to the program?

H: I think the big thing was that he made no contribution to the solution of its problems, and particularly that he made no contribution to the problem of dealing with the President or the Director. I think that is a very good question. I withdraw the word disastrous, because he was not. Perhaps in some ways it didn't make any difference. As long as he was not really very manic about exercising authority, it didn't make too much difference at that stage. Both Dick Boone, on the research and demonstration side, and I were there, plus Brendon Sexton on training. We were a known quantity and we were competent. I think it was difficult for Ted to have an impact on the program, and he was not used to that environment. It's hard for me to say what that impact should have been. Jack Conway--Ted's predecessor really tried on the external problems. He understood the basic administrative philosophy that we were working on and agreed with it. But he tried to handle Shriver, he tried to handle other problems on the outside, because he was very good

at it. Not good, as it turned out, in handling Shriver, but I'm afraid that was impossible. I think Ted did some things that were wrong, but I don't think that any of them really turned out to be very consequential.

G: Yes. Others have described the process of the Shriver meetings, weekly meetings, monthly meetings, whatever, with the heads of the OEO divisions. I guess Don Baker was there and whoever was head of Job Corps at the time would be there, and VISTA.

H: Shriver had a weekly [meeting]? Hell, he had a daily staff meeting! I don't think he ever forgave me when I came to the point where I just decided I could not do it. He eventually cut them I think to three a week, but they were still numerous. I had long since stopped going to any of them.

G: Really?

H: There was no way in which I could spare the time on it. They were very frustrating. There was an array of assistant directors, none of them in line operations, who had a lot of ideas, some of them benign, and some a little bit more malignant. They were not useful meetings and they took up an immense amount of time. During that period I worked three days a week until sometime between eleven and midnight, two days a week until nine, and Saturday until six. We were building an organization and a program with God knows how many issues; I just could not spend two hours a day in a staff meeting. I also knew that I couldn't talk to Shriver about it. So I just stopped going and sent someone else. Boz went to a lot of them, but I just could not manage it. I don't know how long they persisted. Maybe I 'm wrong, that they didn't persist all the time, and they did get reduced in frequency.

G: How did Berry fare at these meetings?

H: I can't ever remember being at any of those with Ted, but he had to have been at them. He never told me I had to come. I don't think relations between Sarge and Ted were ever very good. I can't imagine them ever being very good. Relations may have been civil initially, but I don't think they ever went beyond that. Ted was just not the kind of a guy who was likely to ever say anything in a way that fitted Shriver's orientation. They're out of two different worlds. Conway might have done so, but not Ted.

G: In the sense that Ted Berry did not, say, relate to community organization or Shriver's concept of the War on Poverty, or what?

H: No, no, I think Shriver came from a totally different world. I think, from Shriver's point of view, that, even when Ted was right, he was more inclined to be ponderous. Shriver was the guy in the fast track, and Ted had a totally different disposition. Ted was the kind who could become mayor of Cincinnati. I'm not sure Shriver would make it there.

G: Let me ask you about the Office of Inspection. How was it decided to have, first of all, internal monitoring on for the War on Poverty?

H: I don't know how it was decided. But, no, the inspection concept had been around in a number of federal agencies for some time; HHFA had such an office before it became HUD, and the GAO had encouraged its establishment. So had others. So that it was not an uncommon idea. But I don't know how it came to OEO, and I don't know how the decision was made to put Bill Haddad in it. But we had it almost from the beginning. It operated in a way quite different from offices of inspection in other places during the two years that I was there, the inspectors spent nearly all of their time on second-guessing grant

applications. They were not doing reviews or evaluations of programs after they were implemented, or doing all the things that inspector general offices usually do, such as examining compliance systems. They were putting most of their energies into the review process.

G: In other words they would stay in Washington?

H: Oh, no, they were around the country and they were talking to people. When grant applications came in, [William F.] Haddad had a standard policy, that inspectors would call up every member of the board. He had people who worked all night. We used to get stories all over the country of board members being awakened at three or four o'clock in the morning by a guy from the OEO inspector's office asking them whether or not they were poor. That was Bill's main issue in the reviews--whether the people on the board were poor people (which the act did not say that they had to be). But he played that in the major arguments on grants. And in the first year when every grant had to be signed by Shriver, we had review sessions and nearly all of our recommendations were disputed by Inspection.

G: Is that right?

H: Or some very, very large proportion. I probably exaggerate, but a very, very high proportion.

G: Was the argument here that these grants would be going to communities or groups that really were not poor enough to deserve them?

H: No. The grants were going to community-wide or umbrella organizations so that they represented the consensus; that was not the issue. If an acceptable application came in from an eligible town or community umbrella organization, there would presumably be some

grant approved. If there was something wrong with the proposal, it could be changed. The issue was the boards of directors or the advisory council. The question that Haddad's people played was: "Were the people going on the boards really poor?" The act said participation of those from the groups and areas to be served but it didn't say they had to be poor. There were legitimate questions--particularly in terms of black representation or minority representation--as to whether they should all be poor.

I remember one case--a small town in Mississippi, that Vernon Jordan had helped in putting the application together. In Mississippi, typically the blacks on the board were relatively prominent in the community. Most of them had never sat at any kind of a board with whites before; for example, you might have a black dentist or a black lawyer or the head of a black organization. There usually would be people on the board who were poor, but there also would be minority representatives who were not. I always found this a peculiar issue--I don't even know whether Haddad himself believed it was important. Some would say that Haddad's positions were essentially opportunistic. There certainly were an awful lot of questions that were of no great importance to the program, and a good many of those board membership issues were that way.

G: Do you think there was some basic philosophical differences between Haddad and the people in Community Action?

H: I don't know. I don't know. I do think that Bill had decided that it was his business to make trouble for us, and that's what he did, I'm not sure that it went beyond that. I would say frankly I don't understand Haddad. I was told that after we had gone through a year of this controversy, the OEO assistant directors were unanimous--if not unanimous, nearly so--in

telling Shriver that he had to get rid of Haddad, that it couldn't work. Shriver would have rather gotten rid of me, I think. But they were right, and he did.

G: Well now, Haddad seems to have had political ambitions.

H: Yes. Well, he had already run against Leonard [Farbstein]?

G: Did you have any evidence that Haddad used the program to advance his own political career?

H: I don't think so. Aside from the very fact that almost twenty years later you're asking the question. It would not be surprising under ordinary circumstances if you did not even know who had occupied that position. I think virtually every one in the Community Action Program, grantees, certainly everybody in the agency, knew who Bill Haddad was. It was not an anonymous position, and I suspect he may have regarded the lack of anonymity as being helpful to him. But I think his ambitions were in the agency, and I don't know exactly what they were. Perhaps he would have liked to have run the Community Action Program, but I'm not even sure of that.

G: He was replaced by Edgar May.

H: Yes, a very, very different kind of a guy.

G: How would you contrast them?

H: Well, Ed May is temperate and judicious, and also he's a very straight guy. When Ed had problems he'd talk to you about them. Haddad ran a wild show. He preferred investigative reporters or people of that kind of experience. But he got them souped up, and they did an awful lot of work on the phone. They called all over. And I think May really subdued that and tried to get down to what the office was all about.

G: Then how would you describe the kind of inspection reports that would be done under May?

H: You know, I don't really remember. During the time that I was with OEO I don't think that the Office of Inspection was doing what I thought that it ought to, that is really go out and do sample evaluations of programs, and examinations of programs and of transactions. They certainly did not do any of these things systematically. But 1966 was still early. We were just finishing our second year. Haddad's work on grant applications before they went to Shriver in some ways was done because it may have been Haddad's idea, but I think that it was encouraged by Shriver. I think that Shriver saw it as kind of a Rooseveltian tactic of getting two views on practically everything.

G: Perhaps this is not a good question to ask then, if the inspection reports, at least while you were there, did not really address the issue. But I was going to ask, on the basis of the Office of Inspection and the feedback that you got from that office, did you develop in your own mind any sense of what the best program was like, what were the elements of a successful Community Action Program? How did that differ from one that was a failure?

H: Well, I think that the difference between the best ones and the others ended up being largely a question of competence of the people. And how were the programs different? By and large it was not a difference in the character of the things that were done. It was a difference in management, and in the effectiveness of the management of local politics. Programs could be expected to be more successful in places like New Haven where a lot of the underpinning had been built beforehand and where there was very competent direction, than they would be in a good many other places. And that was exactly what we expected

when we started out in the program. What did we end up with finally, something like two thousand Community Action agencies? There was no way that we were going to create in a year and a half two thousand competently administered Community Action agencies. It was impossible; it just was not going to happen.

G: Did Community Action have any sort of process for visiting the local programs and evaluating them, or at least getting a firsthand notion of what they were like?

H: Well, there are two answers to it. One of them is that getting a firsthand notion, yes, in the sense that there were very few programs that were not visited by a field representative or an area coordinator or someone else. And certainly in larger cities there were programs that were visited many times. However, I would distinguish between this visiting and systematic monitoring and evaluation. At the time, we never had the staff to be able to take on the latter kind of a function; the manpower ceilings were always lower than they should have been. It meant, by and large, that Community Action was staffed to handle ongoing business, to process applications, and do a little beyond that but not much, given the level of activity in the program. This is fairly typical in federal programs, but probably more acute in a new program like Community Action. The staff and resources were never commensurate with the kinds of problems the programs posed in terms of technical assistance, monitoring, evaluation, and many other factors. I think in fairness you could say in the first two years of programs of that kind, particularly given the slow starts and all the rest of it, that evaluation is by and large just not possible in any serious way, and monitoring is very difficult. And oddly enough, I don't know what happened to Community Action after I left it. I suppose eventually they came around to it, but we did

not do it. Although I think there are comparatively few hidden problems. I mean, maybe I'm wrong, but they popped up.

G: Did you yourself visit many of the Community Action programs?

H: Yes, quite a few. Usually when I was out anywhere in a regional office city or some other place, I'd go around to the Community Action Agency and take a look at them, or sometimes I'd be some place for something entirely different, I'd just drop in and go around and talk.

G: Is there any one in particular that you were impressed with on the basis of your firsthand observation?

H: Oh, yes. I think that you find bits and pieces that are impressive. What's really hard to separate out afterwards is exactly what it was you saw. I remember in Trenton being impressed with talking to the guys who were running the Neighborhood Youth Corps and the on-the-job training program, just being impressed with the fact that they had a clear view of their problem. I don't think that they had solutions and I guess at the time that they were guys from lower middle class black families, thirty-year-olds, thirty-five-year-olds, who found the current low income seventeen-year-old black to be a little bit beyond their ken.

I remember thinking on the education programs in Syracuse that the key factor and the reason that that program was working was quite obviously a principal went over to ask for a transfer from the most prestigious Syracuse high school to the ghetto school and was putting everything in it. But, you know, you get patches of opinion and they vary from place to place. I think that there were always problems in trying to realize what people had

hoped initially that they were going to realize. That didn't surprise me much, and it's probably because I don't think that I was quite as optimistic as some folks were at the beginning.

G: There were, of course, a lot of charges of waste and fraud in the Community Action Program. I want to ask you about this and to what extent do you think it was prevalent, and if so, what could have been done to minimize it?

H: Well, I don't think it was awfully prevalent. While I say that I don't think that fraud was awfully prevalent, or maybe I ought to say significant fraud, we had some peculiar cases and I think maybe typically they're very, very hard to judge. Like the minister who was running a migrant program in Arizona who was requiring employees to make a kickback towards the construction of a building for the program. You know, we had to get him out of there and jump on him and all the rest of it; it's a little bit hard as to whether you classify that as fraud. [There was also] the HARYOU-Act thing in the very, very first summer of the program, the summer of 1965, where there is two hundred and fifty thousand dollars that's never been accounted for. I'm sure the poverty program in New York is still rolling that over, which is the final agreement. There's been no indication that anyone got the two hundred and fifty thousand dollars, that it was stolen, but at any rate it was about half the money put into that program and there's no accounting for it. There are a lot of problems with accounting for money. A comptroller in New York, after I got up there, used to say that when he insisted on vouchers before reimbursing the neighborhood poverty agencies, you know, that they'd come in there with them in shoe boxes.

But I say that there were often more major problems in the accounting side. How

much fraud, I don't know. I think that it was a program where there are things that I would regard, and I suspect they're fairly numerous, as evidence of abuse, probably mostly low cost abuse, but that's hard to say. In waste, I don't think that anyone has any measure; matter of fact, I don't think that anyone has any measure in any other federal program which is free in terms of alternatives. That is, clearly that there is money wasted, and I suspect on most of the significant items, you'd find if you were really looking at it closely that the extent of it or whether in fact it was waste would be something that would be arguable.

G: Was there anyone in Community Action responsible for minimizing waste and fraud?

H: No. Except to the extent that that was either in the regions or in the Inspector General. I would say that if anything, why, it was the function of the Inspector General. But I don't know, it's a little bit hard to say exactly what the devil you do on minimizing waste and fraud. Waste probably is a poor term anyway. But I'd say that the identification of questionable or illegal uses of funds or poor fund accounting is something that is going to come ex post. There is no way in which you're going to predict it in advance or do it in a way that's of any use to you. You can keep felons from getting appointed to the program, but you can't really operate like a bank officer in this sort of a program, and I'm not sure it would do any good. But you can discover, what it goes after, is by good reviews. And I think that we were probably relatively early in starting audits compared to most programs. I don't think that we got as much out of the audits as we should have. I certainly expected more. But auditors are accountants, and there's a strong orientation toward chicken shit. You know, sometimes you had the feeling that an executive director could be putting his mistress up at the Plaza in New York, and as long as the vouchers were all there

documenting it that the accountants would let it go.

And I think some things I've seen in papers since then, I don't know how true they were then, maybe less so than subsequently, but things like nepotism and personal appointments or favoritism and so on, that takes careful work to be able to discover that. We did not have the kind of requirement that, for example, goes in the AFDC [Aid to Families with Dependent Children] program requiring all workers to be covered by a merit system, and we couldn't. I mean, if they were covered by a merit system we were not going to be able to have programs that offered very significant employment opportunities to blacks and Hispanics. If you give civil service examinations in New York for poverty positions--the issue actually came up in Detroit, but if you give them any of these places, we know for whatever the reasons that if you give an examination and you appoint according to merit, you're going to have Jews, Irish and Italians and WASPs, but you're not going to have blacks and Hispanics in large numbers. So we avoided that.

We got something in there, in the manuals, on appointments, but it's a little bit hard to say what it is because it's very hard to express. And I'm sure we had some abuses of that kind. I think we kept a pretty good rein on salaries. We prevented some things. We had an arrangement where we offered GSA office furniture, the same that was used in OEO, a hundred and ten dollars I think for a desk, the L-shaped desks that we used there. Shriver used them and every one else did. They were just made in two ways. One way you got a secretarial L on it, the other way you got a non-secretarial L on it, and we all used them. We made those available as well as other office furniture, and eventually, with some objections, limited them to either that or the comparable prices, something no other federal

agency was doing. We didn't let them buy automobiles. But still, when all that's said and done, why, I'm sure that there were abuses in it. I do not think that it was a major problem in the program.

I think poor accounting was a major problem, but I don't think that--and maybe some abuses. I think most of the abuses, in terms of dollar amount, are minor.

G: Was it a problem not being able to fire people connected with the program because they weren't on your payroll?

H: Oh, yes. Wait a second, wait a second. You mean firing people who were in local agencies?

G: Right.

H: You mean that were in grantee agencies?

G: Right.

H: You know, I can't recall offhand any instance where that came up except I guess the Arizona program. It would have come up in HARYOU-Act but that guy had left.

G: There was one either in--was it Rochester or Syracuse?

H: Yes. I don't recall. I don't recall any instance. I'm sure there are places where we would have been delighted to fire the executive director of a program, but I don't recall any instance where we had problems that were any worse than any other grant-in-aid agency goes through. That was not a big one.

G: How was Head Start incorporated into the Community Action Program?

H: Well, the idea came up during the first year. Head Start was one of the ideas that we passed out, and Shriver got the idea that he really wanted to have a big summer demonstration.

Jule Sugarman took it on--with two permanent positions, because that's all we had to give him, and he did all the rest with part-timers, volunteers and everything else. And the program was a smashing success and it had its own advisory committee and really was quite independent to the rest of Community Action.

G: But it was run through the--

H: It was run through Community Action, but by and large my involvement in it, Ted Berry's involvement in it, was limited. Jule Sugarman ran it with Julie [Julius] Richmond, who was head of the advisory committee. They set their standards and did their distribution, and it was when Shriver was still signing every Community Action grant that the Head Start grants were signed by a signing machine. I mean, he felt a lot more comfortable with that.

G: Did Head Start compete with Community Action for funds?

H: Yes, to some extent. Although oddly enough I cannot remember any particular battle over funds. In the first year, which was the big one, we were lucky to be able to spend what we had. I mean, from a flat start to, what did we put out in Community Action, two hundred and fifty-six million or something like that? That was hard.

G: By 1966 was Community Action funded adequately?

H: No.

G: How much would it have taken to fund it adequately?

H: Well, there was a continuing capacity to grow. You know, it could have used several times as much money as it had. I certainly wouldn't have wanted to have several times as much money as it actually had in 1966, but by 1970 I would have felt it made sense to do it. But it remained a relatively small program.

G: Did you feel like it was too top heavy administratively?

H: No.

G: There were too many--?

H: You mean in OEO itself?

G: Yes.

H: Well, in Community Action, no. Our administrative problems were with OEO; they were with Shriver's theory of administration during the first year. I mean, it's all the safety provisions, the notion that you bring every application into the central office, that you then have them reviewed, not only by your central office CAP people but you send them through the attorneys, through the education specialists in the central office, through the civil rights specialists, through the inspectors--

Tape 3 of 3

H: Shriver used to complain in the early days about the time that it took to get an application to him after it came in. I said, "Sarge, you want them to go through reviews by six different people outside of Community Action after they get here." He said, "It only takes five minutes to look at an application." I said, "Well, it only takes five minutes to look at an application if in fact you decide that it's all right. My staff is not working so much on the review of application as negotiating out differences with other offices. It's a major burden." I don't think he ever really understood why that kind of a review ended up being a major consumer of staff time and a major consumer of elapsed time on the applications. And Shriver's own review added to all of this. So the top staff was an impediment in the sense that I would have cheerfully done without it, even in some areas where we could have used

it.

Our own design was to decentralize application review to the field and figure that you did various other types of sample reviews or what have you to do your quality checks, that you didn't hold up the application process. And in the field we wanted a process that basically did not involve really a large number of specialist reviews. Eventually it came to that, but it was I guess only after we got to the point where Shriver was kind of reeling. By the spring of 1966, we'd be using up all of three afternoons with Shriver, and he was using up his mornings in staff meetings half the time. It was because it was impossible for Shriver to go through any of this casually.

It was hard, and we'd eliminated so many things that took time in other agencies. I mean, we eliminated the funds requisition thing by an arrangement where we gave a book of tickets to the grantees that in effect the Federal Reserve Board would honor as checks. So no requisitions had to be reviewed and all the rest of it. We eliminated the contract phase with which HUD is still obsessed, where you make a grant award and then afterwards, three months later, the lawyers come through with a contract which everyone signs. To get away from that we designed a grant award statement that when endorsed by the grantee constituted the acceptance of the grant conditions and all the rest of the things the lawyers wanted. We did a slew of things of that sort, but still the application review process just had to be time-consuming.

G: Did you have a problem with grantees not abiding by the conditions of the grant after they got their money?

H: Not much, not much, to the extent that it was identifiable. I think probably to a fairly great

extent on some things, because say that all of the things that involved community organization or outreach or block workers or anything like that, that it's a little bit hard to tell in retrospect or even at the time exactly whether they were carrying out the activities that they were supposed to. I suspect in programs of that kind that we had problems, but by and large I think that they were doing the programs that they said that they were doing, and in most respects following it. It's a little bit hard to tell.

G: Any recollections of the Child Development Group in Mississippi, the Head Start program?

H: Oh, yes. You know, John Mudd's [?] up here now.

G: Where is he?

H: He's under secretary of the Executive Office of Human Services.

G: In Boston?

H: In Boston, yes. Yes. Manny Carbalo [?] brought him up here. He worked in the Mayor's office in New York for--

(Interruption)

Yes, I have recollections of it, although the Child Development Group was handled by Sugarman and the Head Start people so I was not heavily involved in it. But I remember when they came up on Lincoln's Birthday in 1966 and sat in it. Shriver had this godawful audit report of things like cars at various rallies, rented cars from CDGM at various places and so on. A lot of problems of that sort.

G: Was there pressure from the Mississippi senators?

H: Yes, but it didn't count much.

G: To what extent was the problem using OEO staff and funds for civil rights activities?

H: Well, that did not seem to come up as a big public problem. I saw it in the audit report because it's essentially picking license plate numbers out at rallies of this kind. I never saw that mentioned publicly; that sort of a thing was in the audit report and I never saw the thing come out. I don't know. My feelings on CDGM basically were pretty favorable. They had a lot of problems, but I think it was kind of amazing they pulled it off at all. What I'm trying to remember, my memory is Shriver asked Aaron Henry and another group to form an alternative organization. Did that ever go through?

G: Yes.

H: It did? Then they took it over?

G: I think Hodding Carter was involved in that, too. Well, ultimately I think they worked out some sort of compromise.

H: Yes, that's my memory, that both programs were funded and CDGM at a reduced level. But CDGM, no question, it had a lot of problems, but that's not surprising in Mississippi. I had Vernon Jordan and a white guy whose first name was Tex. I can remember in winters he was the skiing instructor somewhere up in the Smokies, of all things.

(Interruption)

There are people better to talk to. I think John Mudd, Don Baker and Sugarman, maybe even Julie Richmond are good people to talk to on it.

G: Sugarman went down there, didn't he?

H: Oh, yes, he must have been down there, must have been down there.

I thought in reading this over that in some ways they were the wrong questions. I mean, some of the questions were the wrong questions. There were some of the right ones.

I think that there are a lot of mixed characteristics that go into the Community Action experience. One of them was what you might call a political environment, and I include everything in that, but that outside environment, which certainly none of us ever anticipated. Pat Moynihan really acts as though it was intent to get into rabble-rousing, and that's certainly--I think the way the Community Action Program works surprised most of us as much as it surprised the President. It's just that we were surprised earlier than he was.

I think the second thing is that the Community Action Program--and I suspect this is also true of VISTA and Job Corps, but I'm not sure--in comparison with other federal programs, certainly other federal grant-in-aid programs in starting years, was a very well-administered organization. And that's largely because of the quality of staff which comes in turn out of the quality of recruitment we put in.

But it was a surprisingly good organization and functioned surprisingly well very early, I think always with the problem of recognizing that it was applying sound recruitment and good management methods to something where we really had a bear by the tail, and sometimes you might wonder whether it had any effect. It's also one that introduced a lot of innovations into grant-in-aid administration, like the elimination of the requisitioning process, and cutting out the contract process, the introduction of the program year so that we got away from project grant bases, things like Jule Sugarman's absolute piece of genius in solving the technical assistance problem for his grantees by having a contract with Lear-Sigler [?]. You've heard about it? Well, [it's] the contract where a Head Start sponsor who needed help working out some aspect of the program could call the OEO regional office and they would call--there were six hundred consultants on the panel,

people like professors of education. If the grantee picked one, why, then you call an 800 number at Lear-Sigler in Oklahoma and they would arrange the whole thing and do it out of grant funds, really tricky.

The checkpoint procedure which we introduced, you asked how we lost it. We lost it because of Wayne Morse and Wayne Morse's irritation I think at the closing at the--is it the Tongue River or the Tongue's Neck Job Corps camp in Oregon?

G: Fort Benoit, is that the one?

H: It's in Oregon [Tongue Point Job Corps Center]. But he went and knocked Shriver's authority to compel that sort of a thing out of the act.

I think [CAP was innovative] on things like the use of the non profit corporation to solve all kinds of problems of the sort that no one talks about, like the Atlanta program which was a combination of city, county and school board, where in fact there was no way in which we could create an organization as a public authority. And we did that, created these treaty or umbrella organizations by using the nonprofit organization all over the country and resolved a hell of a lot of problems on that. I think we also used that in Legal Services, which is really embodying a deal with the American Bar Association.

G: Did you play a role in the development of Legal Services?

H: Not very much of a role. It was mostly Cliff Vanbanberg [?]. That's true of all the special programs.

G: Do you remember the SWAFCA [Southwest Alabama Farmers' Cooperative Association] program, the black farmers' cooperative in Alabama?

H: No. Don't remember it at all.

G: Well, I feel like I've taken enough of your time today.

End of Tape 3 of 3 and Interview II

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

LYNDON BAINES JOHNSON LIBRARY

Legal Agreement Pertaining to the Oral History Interviews of

FREDERICK O'REILLY HAYES

In accordance with the provisions of Chapter 21 of Title 44, United States Code, and subject to the terms and conditions hereinafter set forth, I, Anna S. Hayes, of Utica, New York, do hereby give, donate and convey to the United States of America all my rights, title, and interest in the tape recordings and transcripts of the personal interviews conducted with my husband, Frederick O'Reilly Hayes, on October 7, 1981, and October 10, 1983, in Lexington, Massachusetts, and prepared for deposit in the Lyndon B. Johnson Presidential Library.

This assignment is subject to the following terms and conditions:

(1) The transcripts shall be available for use by researchers as soon as they have been deposited in the Lyndon Baines Johnson Library. Those open include the edited transcript of each interview

(2) The tape recordings may be made available to those researchers who have access to the transcripts.

(3) I hereby assign to the United States Government all copyright I may have in the interview transcripts and tapes.

(4) Copies of the transcripts and the tape recordings may be provided by the Library to researchers upon request.

(5) Copies of the transcripts and tape recordings may be deposited in or loaned to institutions other than the Lyndon Baines Johnson Library.

Anna S. Hayes — September 25, 2007
Donor — Date

Assistant Archivist for Presidential Libraries — 10-27-2007
Date