INTERVIEW I

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INTERVIEWEE: MILTON P. SEMER

INTERVIEWER: Michael L. Gillette

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Tape 1 of 1

G: Why don't we start chronologically with the department hearings in the 1950s, and as you were saying before we turned on the recorder, how these preceded and were more significant than the legislative enactments of the 1960s.

S: I think that the War on Poverty was started in the legislative branch and not in the executive branch, both as to ideas and leadership. There are two people I would cite as the real workhorses in developing programs for the poor under the leadership of then-Majority Leader [Lyndon] Johnson. One [was] Senator [John] Sparkman, whose political base in Alabama was broad-based and country. As you may recall, when Alabama started to go Republican it was the three big cities. The country stayed Democratic, and Sparkman knew that, and that's the way he played the political game down there. Also, Sparkman had been the vice presidential candidate in 1952 and had gotten around the country. By the fall of 1954 he used a subcommittee of the Joint Economic Committee to have a hearing on poverty.

Now the vehicle that was immediately available to him, since Sparkman if

nothing else was a very practical legislative player, was the depressed areas bill. And when that became the principal vehicle, Sparkman formed a natural alliance with the late Paul Douglas, the Democratic senator from Illinois, whose political base was primarily in Chicago, but also he ran strongly down state in the depressed areas, mostly coal mining areas of southern Illinois, which have more in common with the rural South than they do with the urban North. The two of them served together on the Senate Banking Committee, which is the committee that eventually became the forum for the debate on the depressed areas bill, which passed twice and was vetoed twice during the fifties. Eventually it became public law in 1961 when it was S 1, the top of the Kennedy agenda on domestic legislation. It had passed the Senate before, but could never get through the House.

G: Well now, it passed the Senate by a close vote also, didn't it?

S: It was always close.

G: Do you recall how they got the majority to pass that bill?

S: They got the majority to pass the bill in 1961 by putting together the Democratic coalition, such as it was, of the urban North and the rural South. By passing out the goodies, by having a rural program as well as an urban program, by having a southern program as well as a northern program.

What turned the voting pattern on the depressed areas, later called area redevelopment, was the 1958 election in the Senate. The House was always a different kind of a story. I'm sure you've picked that up from other sources. But until 1961 when you had strong presidential or executive branch leadership as well as congressional

leadership, there was no chance to get an area redevelopment bill. And even when it did go through in 1961, it was difficult and it didn't amount to much. It grew, because the seeds were there, the seeds that eventually became the commissions, and the programs that eventually inspired government to expand housing, education, medical care and so on. Keep in mind that at the time that the area redevelopment bill passed in 1961, we didn't have the breakthroughs that came later in education, welfare, health and so on.

So to recap my orientation to this, I see the War on Poverty as having begun a lot earlier than OEO [Office of Economic Opportunity] and having lasted long after OEO got broken up into these other constituent units that I guess happened during the Nixon Administration.

G: Anything else on Lyndon Johnson's role on the depressed areas bill in terms of getting it passed in the Senate? Again, we're talking about a close vote. Any senators that he leaned on? Any of his techniques that he brought to bear?

S: I think that the way Johnson played it in the Senate was the straight boodle approach. He would go to a southern senator and indicate to the senator what he would get out of such a bill. They also parlayed or logrolled the depressed areas bill against other bills. The northerners always wanted more housing and urban renewal and all that sort of thing, and that was parlayed against what the southerners wanted, the small town public works. The area redevelopment bill got through in 1961 because there was an implicit promise that somewhere along the way there would be some good, solid pork, which became the accelerated public works program of the Kennedy Administration.

That program was probably, in my judgment, a program in which a billion dollars

was sped out faster by fewer bureaucrats in a shorter time and with less corruption than any program I've ever known. And it was administered right out of the White House because in order to settle turf problems, we wrote the legislation so that the congressional delegation of power was directly to the president of the United States and not to any secretary, which was quite unusual. That enabled Larry O'Brien, Mike Manatos, his Senate assistant, and the late Hank Wilson, his House assistant, to just take over the administration of that program in the sense that they called in senators and congressmen, told them what was allocated to their states, told them which projects had been found feasible on an honest basis, and then said, "There's not enough money to finance all the projects that are acceptable. You decide on what your priorities are, and we'll meet them." That was done on the second floor of the West Wing under the guidance of Larry O'Brien, Mike Manatos and Hank Wilson.

G: Since you dealt with the housing committee, I'm wondering if you recall any of the details of the passage of the Omnibus Housing Act in 1955 and the defeat of the Capehart amendment?

S: There wasn't any significant housing legislation in the fifties after the 1954 act, until you got to the 1959 act, which was passed with the new Congress brought in by the 1958 election and after two vetoes. But the content of the housing act of 1959 was again paste-up, cobbled together from stuff that hadn't been passed in the field of public housing, urban renewal, community facilities and so on. The omnibus housing bill was always omnibus because it was a logrolling bill. And there Lyndon Johnson would go to people like Senator [Richard] Russell of Georgia and show him the list of cities, who would get

what. And Senator Russell would vote for even public housing. As a matter of fact, Johnson was absolutely brilliant in going to his southern colleagues and saying that even though public housing was passed as a northern program, as measured not in dollars but in the number of public housing bureaucratic entities established at the state and local level, the leader in the country was Georgia or Texas, depending upon how you defined the categories. Sparkman used to get into that conversation and say, "Well, there's a way you can count this where Alabama's the leader."

But here were Senators Johnson from Texas, Sparkman from Alabama, and Russell from Georgia, each in his own way taking credit for the public housing program rather than trying to knock it down. Public housing was always popular when it was used to finance small public housing projects in the rural South. And that's how Johnson put together that coalition, with northerners such as the late Senator [Paul] Douglas of Illinois, the late Senator [Herbert] Lehman of New York, and [Jacob] Javits when he came in in the fifties, and former Senator Joe Clark, who was from Philadelphia. That's how he put them together.

G: Yes, but he convinced the Democrats to vote against the Capehart amendment, which he said was like being a little bit pregnant.

S: The Capehart amendment that we talked about in 1955 and 1956 had to do with military housing. I don't know what other Capehart amendment you might be referring to.

G: Well, it was one that would drastically reduce the amount of public housing units from I think a hundred thousand to thirty thousand.

S: The Appropriations Committee led by the late Congressman [Albert] Thomas from

Houston always put a lid on the number of public housing units that could be financed. That lid was lifted in 1961. In 1961 the Kennedy Administration took the lead in accomplishing what Johnson tried but couldn't accomplish, and that is to go back to the 1949 level of public housing production.

But the reality in public housing is that unless there is an executive branch willing to administer it, it doesn't make any difference how many units are allocated by the bill. Because even if you get the authorization, you've got to get the appropriation, and even if you get the appropriation, it has to be released by the budget process. And even if it's released by the budget process, you have to have an agency that has the green light from the White House to go ahead and build these units. Because it is such a complicated, convoluted process to get a public housing unit built, that unless you have everybody cooperating it just doesn't get done. As a matter of fact, they're even having a problem these days getting subsidy housing built, for a whole lot of reasons, not only financial, class and race, but technological reasons, financial reasons, all sorts of things.

G: Anything else on housing before we get to the War on Poverty?

S: The most important thing for researchers to recognize is that the housing bill was not primarily a housing bill. The housing bill was just a shorthand moniker for an omnibus bill of which housing was usually no more than one or two out of a dozen titles. It was the coalition, logrolling bill, probably the most important one worked on in the domestic field during the fifties. And in 1961 the late Senator [Robert] Kennedy mentioned to some of us that the largest single domestic success in the domestic legislative field was the Housing Act of 1961. Because Kennedy had trouble getting his domestic legislation.

But the Housing Act of 1961 was an omnibus bill using leftovers from the fifties and using the techniques of coalition building and logrolling from the fifties. But it was not primarily a housing bill. It was, for lack of a better phrase, pork, boodle, projects, and one which took the kinds of skills for which LBJ is justifiably celebrated, of putting together coalitions.

One of the most important elements in the housing bill would always be the urban renewal bill, which some urban renewal experts think is anti-housing, because it tears down so much housing without rebuilding it. Another title of the housing bill was always the Home Loan Bank Board legislation, which the Home Loan Bank Board could not get by itself and it had to piggyback the omnibus housing bill.

Anything having to do with the secondary market would be part of the housing bill. The Housing Act of 1961 launched the urban mass transit program; it launched the open space program. Urban mass transit probably should have gone into the Commerce Department, and open space probably should have gone into the Interior Department. The reason they ended up in the housing bill and initially administered by the housing agency is because the housing bill was the omnibus bill, and housing was just a label. The housing provision would usually be Title I or II and wouldn't be that controversial.

G: I hadn't realized all of that.

Well, let me ask you about your involvement in the War on Poverty task force.

S: I represented HUD [Department of Housing and Urban Development] or the housing agency, which was then called the Housing and Home Finance Agency. And it was generally understood that there wasn't anything of ours that they were going to get, that

maybe we'd be able to make some contribution toward their insights. Also, Sarge Shriver tried to raid some of my people.

G: To work with the task force?

S: No, to work in the agency.

G: Oh, I see, later on. Well now, I have the impression that you were involved in helping to plan some of these programs even before Shriver was chosen--

S: That's true, that's true.

G: --when the Bureau of the Budget was out soliciting proposals, that some of them came in over your signature.

S: Before there was an OEO and a Sarge Shriver, all you had was existing agencies. When it was decided that there would be a War on Poverty, somebody had to do the work. Well, usually it was White House, Bureau of the Budget--now OMB [Office of Management and Budget]--and the working stiffs around the agencies. Since I was a kind of political liaison between the housing agency and the White House, I'd get the call and I would gather some people together and we'd try to figure out what it was that we wanted to get enacted that wasn't already enacted, and also try to justify the creation of a new bureaucratic entity. I would leave to others-- (Interruption)

I tend to identify poverty and Shriver as interchangeable synonyms. Shriver cut quite a path in the government at the time. He was an insider, and I think the War on Poverty as a visible program of activity identified with an administration came and went with Shriver. I don't think the War on Poverty as an entity could have existed without Shriver and I don't think it lasted long beyond his tenure, the way I think of war on poverty,

lower caps. I think there's been a war on poverty for years in the government, and I think it's been worked on by many different departments. In that sense I'm kind of a reactionary traditionalist in saying that the programs that have made a contribution, slogging along a little bit each year, making some inroads, say, into the housing or the health or the education, or food, whatever, probably would have gone on without the Shriver effort and I think probably would have given us a more solid base today in 1980 if OEO had never existed.

G: Of course, the argument that the OEO supporters used was that there was no coordination among these various efforts.

S: Just to give you an example, I think one of the things that bureaucrats have learned just lately is that a housing program isn't worth a damn unless it's coordinated with everything else, that good housing doesn't produce a better society. It's a means to an end and a very, very difficult and small contribution toward a larger objective of trying to improve the lot of people. There was never any attempt to coordinate housing.

G: Well, there was in Model Cities, wouldn't you say?

S: No, I don't think so, no. I don't think Model Cities had anything to do with housing. I think Model Cities was more akin to the urban renewal program and was an effort to modify the urban renewal program fast. I think they might have had a chance if they hadn't gotten involved in trying to remake local political power bases, by trying to build up a concept of putting the vote in people. They would compete with city hall. Because there was nothing in the Model Cities program that city hall was opposing, yet the Model Cities program was the vehicle for trying to organize an anti-city hall power base in a lot

of communities.

G: Well, in going back to the task force, initially Kermit Gordon and Walter Heller presided over an interdepartmental group that submitted proposals. Did you ever sit in on any of these meetings?

S: Oh, yes. Let me add one more footnote to my seemingly disrespectful attitude toward the Model Cities program. I think you have to go back to Lincoln Steffens and his analysis of what was going on in the cities, the corruption in city hall and so on. See what one of the reactions to that was, which was spawning independent authorities. In the 1930s public housing, and in 1949 urban renewal, which was modeled after the public housing from a bureaucratic point of view, were organized as independent authorities. To understand why you had independent authorities you have to go back and understand what Lincoln Steffen's legacy was, which is you couldn't trust city hall. I think that was the mystique of the philosophy that pervaded a lot of the people who worked on Model Cities.

By the time the Nixon Administration came along they picked up another kind of development within the Democratic executive branch and Congress, which is that the time had come to make the mayors more responsible for what was going on in their cities, and to put the authority for these programs in city hall in exchange for getting them involved. Because the mayors were always brilliant in taking credit for the good things and blaming the congressmen for what was going wrong, such as race or class conflict that would arise because of where you put a public housing project, or where you were tearing down buildings in the urban renewal program, or how you were favoring this part

of town or that suburb or that exurb on housing programs. They didn't have that much influence. But if you're in politics you either take the credit or the blame. And even though some cities such as New Haven would control their independent authorities, in a lot of other places they did not.

So the Model Cities, so far as I'm concerned, picked up a theme that was dead, namely to build up people power in order to improve the community. Because there wasn't enough money to make a difference, and if you told Congress that you were just making a start by way of demonstration and that eventually there would be enough money, they would never vote for it.

G: There's a natural process of spreading it more thinly to cover more and more--

S: The demonstration program as initially conceived by the task force that was sitting in the fall of 1965 contemplated maybe half a dozen to a dozen cities, in which you'd show how you could coordinate the federal government's effort along this particular approach. Harry McPherson was the White House staff liaison to that. Bob Wood was the chairman, and a bunch of people were sitting around trying to come up with something. Bob Weaver, who felt left out because he didn't attend those meetings, had a person from that task force reporting to him, so he kept informed as to what was going on. That was also the fall of 1965 when Weaver was sweating out whether he was going to become the secretary of the new department. The Department of Housing and Urban Development came into being by operation of law on November 9, 1965. It came into being and we all attended the signing ceremony, and the President never even mentioned Bob Weaver's name. There are a lot of interviews of people for the HUD position. I personally had no

doubt and I told Mary Watson I don't know how many times that the President was going to select Bob Weaver, because that was the logic of the selection process. There was no way that Bob Weaver was not going to be the first secretary of Housing and Urban Development. And in February he was so designated.

But during the period when the Bob Wood task force was sitting and we were sweating out what was going to happen to him, as the leader who had not been designated for this department which had come into being, he asked me on the basis of his report to me on what the content of the demonstration program was going to be. I said, "Well, you could use existing law and put it into effect tomorrow." There was a program which had been enacted some years before which provided money to cities to do some planning on an overall basis, a comprehensive basis. One of the cities that did an excellent job was Atlanta. Ivan Allen was mayor. The mayor of New Haven had been doing comprehensive planning. Bob Weaver and I sat down and picked seven cities geographically separate, gave it the semblance of being bipartisan by selecting a Republican city, which I think was Honolulu at the time. I called [Richard] Daley and said, "We've got a new program starting but you're not going to be in it." Told him what it was. We selected seven cities. The press release was prepared announcing that such-and-such a program using planning grant money was going to be launched with these seven cities as the demonstration cities.

It was scheduled to go out on a Friday afternoon, and as a loyalist to the presidential role in government, not just the departmental role, I called Harry McPherson, whom I'd known from Capitol Hill where we worked together. I said, "Harry, as best I

can figure out, we're about to launch administratively a program that may be the only thing that comes out of your task force." So he said, "Give me a little while to check it," and I said, "I'm working with Bill Moyers' office. Bill isn't there, and his assistant has asked me to decide whether to put it out. When we do put it out I'm authorized to just go ahead and put it out," which I'd been authorized on many other occasions, because I was regarded as a White House loyalist. "But I'm telling you, this is what might happen to your task force." So he called back in minutes and he said, "Don't put it out. This is going to be our number one proposal." So I went to Bob Weaver and I said, "Look, I called Harry McPherson because I thought the White House ought to know, and Harry says please don't do it." So . . .

G: What was Weaver's reaction?

S: Weaver's reaction was well, so what. I think Weaver regarded that as something that was desirable to do if anything was going to be done at all. But I think he felt somewhat miffed that there was going to be a big legislative pageant for something that ought to be done somewhat more modestly.

G: Did the people in Housing resist the inclination for Model Cities to spread itself too thinly?

S: Let me tell you how I think that came about, because I was in the White House when this happened, in calendar 1966 when the Demonstration Cities program was enacted. The original Demonstration Cities program of half a dozen to a dozen cities didn't stand a chance of passage. And using the knowledge of the techniques used to pass titles in the omnibus housing bill, Johnson very quickly realized that it would take a broad-based

coalition to get anything under the banner Demonstration Cities. That's what led to the selection of seventy cities that were going to get planning money and grant money, because Bob Weaver made a speech in Dallas saying that he was encouraging the administration not to take the time to have just an initial planning phase, but to actually ask for the appropriation for the grants as well as the planning money.

I can recall Johnson's personal reaction when Weaver did that to him. The best that can be said is he didn't understand what Weaver's motivation was in asking for the [appropriation]. There was a split in the administration. There was a tendency on the part of some people to feel that with this 89th Congress, if the President really put his mind to it he could get anything he wanted. But there were so many things on the boards, he just couldn't pay that much attention to everything. I think that Johnson had enough knowledge from his days as majority leader to know two things: one, you couldn't get a bill through unless you had a broad-based coalition. And secondly, there wasn't anything of this sort that was going to be launched full blown with grants the first year. It was going to have to go through a planning phase. Because he knew enough about the whole realm of renewal, community development, especially housing, which is a long lead-time type of thing, to know it was going to take a long time. So they ended up with the kind of broad-based coalition, seventy cities, that it took to pass the bill, but with a commitment that Johnson felt Weaver forced him into to go for the grant money as well as just the planning money.

G: What was Weaver's motivation?

S: I personally don't know. I do know that there was a lot of pressure from the cities to get

the grant money, because I think that by the 89th Congress the cities had developed a lobbying technique where they didn't care what the hell you called it, so long as there was more money.

G: Do you have any insight as to why LBJ delayed the announcement of Weaver as he did, the announcement of the appointment?

S: I think there was a lot of pressure against Weaver's appointment in the Johnson cabinet. Weaver was an afterthought as a Kennedy selection, thanks to Harris Wofford, who reminded Senator Kennedy and his people, like Ralph Dungan. They had completed their work selecting a cabinet; they didn't have a black man in it. The day before Christmas, the twenty-fourth of December, 1960, the story leaked that Weaver was going to be the HHFA [Housing and Home Finance] administrator. On December 31, he went down to the Kennedy compound in West Palm Beach and was announced to the public as a new HHFA administrator. That whole week stories were fed out to the effect that Kennedy had made a commitment that he was going to raise Housing to cabinet level, and that fair housing was a Kennedy commitment based upon a Pittsburgh speech in which he said fair housing can be brought about by a stroke of the pen. This was Harris Wofford's contribution. Harris Wofford is the man that got Weaver into the government.

Weaver was a pretty fair administrator. I think that the Kennedy White House is grateful to him that he tended to his knitting, did a good job, and didn't bother the President very much. Under Weaver, aside from whatever arguments or reasons you talk about as to his role as black man--leave that out for the moment--but regardless of race, he did produce the largest single piece of domestic legislation in 1961. He managed

getting the department, which came in in 1965, and he got them a new building, consolidating eighteen different entities from around town.

I think it started an unfortunate precedent, which led to Patricia Harris getting that job in the Carter Administration. Also, Governor [George] Romney, when he came in in 1969, regarded that department as one in which you could make huge strides toward equal opportunity for blacks, and I think he went so overboard it's taken years to restore some balance.

G: How so? Do you mean in terms of contracts?

S: I think in the way HUD developed the reputation--unwarranted--as being the dumping grounds for racially motivated selections. I think HUD has lost a lot of power, which it will never regain. Much of the urban renewal clout that it had has now been converted into the impersonal approach of revenue sharing. The housing program has been converted from one in which you use public bureaucracy, such as public housing entities, and you use the private sector to feed subsidy through. And HUD has become a regulating agency at a time we're talking about deregulation. In other words, the consumer orientation as it applies to real estate, housing, flood plains, land sales, all the cats and dogs that you can pick up from a consumer-oriented motivation, have landed in HUD and they've lost their big clout.

[This is] just one man's point of view, which is that HUD will never grow any larger. As a matter of fact, when HUD became a department there were three presidential appointees for about fifteen or sixteen thousand employees. They have the same number of employees and I leave it to you to count how many presidential appointees they have.

I enjoy being iconoclastic, but not cynical about the themes and the things being written about the Johnson, the Kennedy Administration, even the Carter Administration, and its dedication to the poor folks or this disadvantaged group or that disadvantaged group. An awful lot of it has no more substance than Dick Goodwin's moniker "rent supplements," because "rent supplements" describes nothing. And that was so difficult a program to pass, for the right reasons, difficult. We had to buy the votes to close the gap in the House between a hundred and seventy and the two hundred and six or seven that we finally got in passing it, and also had to buy the votes in the Senate. It just didn't have a majority.

G: By that, buying them, you mean you had to put projects in the districts so that congressmen would [support it]?

S: We had to empty the credit bank to pass those, because the President was a man of great pride, and when his task forces gave him these lemons to squeeze, he just had to win. He couldn't lose. I remember sessions with Larry O'Brien in which Larry said, "Look, the time has come when you have to set aside your own opinion as to whether these programs are worthwhile. The existence of this as a Johnson proposal has a life of its own and it's going to have to pass." Now once you've reached that point, you've lost control of your own destiny.

G: Well, again, is there anything on the War on Poverty that [you recall]? I know you were in on some of those meetings. Do you recall the ones at the White House that, say, Mike [Myer] Feldman and Ted Sorensen chaired before Shriver? And the decision--

C: Mike Feldman was in charge of the West Virginia task force that was established

following the 1960 presidential election. The President Kennedy style was not to have public task forces. He had private task forces, with just one exception. The one exception was the task force on Appalachia, which he'd made a public commitment for during the West Virginia primary. So he felt he had to follow through. So Mike Feldman was his designated staff guy in a trip we took to Charleston, met in the state house of representatives chamber--the West Virginia task force, not Appalachia. The West Virginia task force was launched on December 9, 1960, and by December 26 or 27, the task force report was completed. The chairman of the task force was the late Senator Paul Douglas of Illinois, and the principal representative on the other side, on the House side, was the congressman from Wilkes-Barre, whose name I don't recall at the moment.

G: West Virginia?

S: No, Pennsylvania, Wilkes-Barre, Pennsylvania. Flood, Congressman Flood, Dan Flood, who was the House expert on depressed areas.

Well, how do you get such a huge task force report ready between December 9 and the day after Christmas? You do it because you cut and paste leftover materials from Senate and House hearings and debates. By the time the task force was complete it had expanded from the West Virginia task force to being a nationwide task force, because everybody wanted in on the act. I did the staff work for Senator Douglas within the forum of the Senate Banking Committee, and we took the report down to West Palm Beach on New Year's Day, 1961. Mike Feldman and I had an argument as to whether it was going to be S 1, the number one priority of the Senate, or whether it would be one of the packages of bills left till after inauguration. I reminded Mike Feldman that the Senate

decides what's S 1. And I had talked to Mike Mansfield, who said they would hold the S 1 number, because the logic was that it ought to be that category, because that might have been what elected President Kennedy. We took it in to President Kennedy, and he said, "Sure, of course. If Mike Mansfield says he'll hold the number, we'll make it S 1." And that's how the depressed areas bill, later called area redevelopment, got launched in the Kennedy Administration.

I think there was some break in continuity, because Vice President Johnson was not wired in as much as I think he should have been. I know I used to keep in touch with the Johnson people because I used to work with them so closely when he was majority leader. And I think an awful lot of what passes for the War on Poverty of the Kennedy-Johnson era--because there was a lot of talk during the Kennedy era, [John Kenneth] Ken Galbraith came in and just took charge of the trucks that were going to get food into the hollows of West Virginia. I'm sure you've got that down there somewhere.

G: No. Can you elaborate on that?

S: Shortly after the inauguration we had a task force meeting on how to meet the commitments that President Kennedy had made to the poor people in the hollows of West Virginia, on just food alone. Ken Galbraith, in an inimitable way, said, "Look, don't tell me all the reasons you can't do it. Let's go ahead and do it." So I think they finally got some trucks from the army and trucked some food in, that's my recollection. And Galbraith was insistent, went around the room and kept asking, "Can you do it?" Kept getting, "Yes, but . . ." Then he said, "This is going to be done and we're going to decide today to do it," something along that line.

I worked with him because our agency had some experience in disaster control, disaster administration, in getting--what do they call it?--a damage assessment to find out how much of your infrastructure has been damaged, water, sewer and so on. We had a constituent unit called community facilities that would fan out and bring you back a quick report. So we were used to going into a disaster area and making things happen. We also had a disaster function providing temporary shelter for hurricane, tornado areas and so on. So we already had the unit in being. So I had no difficulty with that. That probably as much as any is the reason I kept getting called in because I never had a "yes, but" answer. I never had a good structural reason why we couldn't do it. I'd say, "Well, let's go ahead and do it."

G: You said the original discussions were largely turf wars in which existing departments tried to preserve their--

S: There was some thinking, which I respected, and as a matter of fact, I was an advocate. I said, "If you really want to have an Office of Economic Opportunity, you ought to go whole hog and you ought to get a class crosscut. If you're going to try to help poor people, why don't you identify who they are? Find out what programs exist that are already helping them, such as housing, food, social security, aid to dependent children. And then just as an exercise say, 'Okay, these all come into one agency. Now what more can we do for the poor?'" And keep it all and generate a department or entity, I don't care what you call it, agency or department, that will have so much bang that it will just smother all departmental turf wars. And my recommendation at the time, as I recall, and I can document this I suppose in my own notes, was that you'd win whether you won or

lost, because the idea would be so good. If you're really going to attack the nation's problems on an economic-class basis, then don't pull any punches, at least through the rhetorical phase where you're trying to get across to people what you're trying to do. Now there are some people that you're going to gain as adherents because they think you mean something, and there are some that you're going to win as enemies, because they're afraid it's going to succeed. But that's your ideological breakthrough.

G: Well then, if OEO had been bigger, more powerful, then it would have been more successful, is that--?

S: I think if OEO had come in as a larger idea and one that was going to step on lots of departmental toes, if it were less sophisticated about what it took to get a bill through, I think there was an awful high premium at that stage in getting legislation enacted. As far as I was concerned, I thought it was more important to getting the work done. Because I always felt that if the White House was involved--the White House obviously was involved in this one--it was probably as easy to coordinate existing bureaucracies as it was to coordinate existing bureaucracies plus one. That's a lawyer's attitude toward codification. Codification is supposed to clean up, make orderly, all the statutes. And as any lawyer who's been with the codification business for a while, when you have a codification you then have two books to work with, the old one and the new one. That was my attitude and I think I made the point that way on OEO.

G: Of course HEW [the Department of Health, Education, and Welfare] reasoned at the time I think that they could run the War on Poverty program within HEW.

S: That's correct, and I think they had a good point to make, and they certainly had the

machinery and they had the clout.

G: The reverse argument was that none of the existing agencies were able to do it because they had a different focus. They were not focusing on the poor.

S: No question about it. I think both those arguments are absolutely correct.

G: And I gather no one really, in these meetings, supported the notion that HEW should take over or run the [War on Poverty].

S: I think one of the reasons is that HEW was not that strong itself for it, because HEW was beginning to focus on the unfinished business of government, such as health, education and welfare, which would not go into an OEO. And you've got to hand it to people like the former mayor of Madison, Wisconsin, whose name I don't recall at the moment, [Robert Forsythe] and Wilbur Cohen, who succeeded him as the legislative architects of HEW. What they were going after and eventually got, by the time the 89th Congress finished, was a lot more than OEO ever proposed, by way of health legislation, education legislation, the addenda put on the social security system, Medicare, Medicaid.

G: What about the Labor Department here and the War on Poverty? Here, too, it seems that the Department of Labor was pushing for something very specific that it could run, a massive jobs program.

S: Right.

G: Did you participate in any of these debates here?

S: Yes. Yes.

G: Can you recall how the lines were drawn and why this alternative was more or less tossed out?

S: I think that a decision was made early, not on any grounds other than political-rhetorical grounds, which are perfectly acceptable in a government that requires a lot of politics and a lot of rhetoric, that there was going to be a War on Poverty or an Office of Economic Opportunity, or a special effort made. To me this was just a variation on the theme that we'd been working on all during the fifties, which we called the depressed areas bill.

G: Well, the War on Poverty though, the new agency was only necessary as long as you had a new program, and the only new program I guess was the Community Action Program.

S: That is correct.

G: A jobs program could have been administered through the Labor Department, just as the Neighborhood Youth Corps was. Do you recall, though, why they didn't opt for a massive manpower or jobs training program?

S: Let me divert you for just one small point. If the depressed areas bill in 1961 had been put into an independent agency, and this is one of the alternatives, the poverty program would have ended up in it. As it turned out, the depressed areas program was sliced up in a variety of ways. The only reason it went to the Banking and Currency Committee was because Paul Douglas was the sponsor and he was on the Banking Committee, and he felt he had the votes there and didn't have it elsewhere. So I think there are a lot of legislative and historical accidents that you have to review in order to understand why OEO was not parceled out to the different departments. In many ways, OEO would have been a better program if it had been established by administrative fiat and put into the White House.

G: It was essentially put into the White House to the extent that it's executive office.

S: What I mean is, put into the White House as a high priority coordinating function of the

White House staff.

G: And would merely be coordinating and not an operating [agency]?

S: Well, that depends on White House style. I have cited the accelerated public works program, which was a billion dollars. In those days that was a lot of money. It was put out in a very short time, and it was put out not only under the sponsorship but the direct control of the White House. There is a view in public administration that that's bad administration. I don't agree.

G: Well, the notion that it could be at the same time both a coordinating and an operating agency has certainly drawn criticism, it's either been one or the other.

S: That's right, but the accelerated public works program was a program that was not administered by the White House, it was control led by the White House, and the White House maintained the kind of coordinating, liaison type relationship with Commerce, HUD, and Labor principally, those three, and then in a secondary way HEW and one or two others. So they had more or less the agencies under their control for that one program, and to me that should have been the precedent, the prototype for the War on Poverty, and I so proposed. It was one way of doing it. But by that time Shriver and his people felt oh, no, we don't want to do it that way. Then they had a respectable reason for setting up a new entity. I think that the OEO program probably trained a lot of people that might not otherwise had been motivated to come into government.

G: That's been mentioned as one of the chief benefits, the fact that it--

S: Absolutely. I think it also stirred up some dust. I think it was intimidating to some of the established bureaucracies that thought it might get bigger. I think it was undercut by

established bureaucracies, but that's nothing new.

G: How about the Community Action Program? As you recall these debates and meetings, do you think that the people who framed that program had any idea how it was going to turn out?

S: I've often wondered about that, because it's--I hate to say of others that they didn't see what I saw so clearly. I had grown up with agencies that were independent authority type agencies, and I'd read enough about history to realize that they were spawned at a time that they were anti-city hall. Matter of fact, Lincoln Steffens was the idea man on that, whether he knew it or not. FHA [Federal Housing Administration], the federal entity to insure loans, was set up as an independent authority; public housing was set up as an independent authority. The public housing agency that was financed by public housing grant money was money to finance a local authority that was independent from city hall. Now that caused a lot of litigation, and it took years, mostly because mayors who stayed in long enough through the power of appointment could get control over these public housing entities.

G: Weren't the boards who comprised these authorities named by entities of local governments, county commissioners and boards, and things like that?

S: No. Well, they were later on, but in public housing and urban renewal, the power of appointment was usually in the mayor or the county commissioner, whatever the form of government was. But if a mayor was in a revolving door type of government where he's in for a couple of years and out, then he had no control over them. They became powerhouses on their own. Now the mayors used to be ambivalent. They would moan

about the fact that here was a big sluiceway of federal money coming into a local entity that they couldn't control. But at the same time, they did not want to take on the public responsibility of the decisions that were being made by the local public housing authority, which were not--

G: They were insulated somewhat.

S: Exactly. Exactly. And you've got to hand it and give credit to the Nixon Administration in the 1974 act when they grabbed that nettle and they said that these entities have got to be put back into the line of political responsibility. And the mayors were not particularly eager to get that, but they've taken it and they've adjusted to it. The Community Action Program, if by that you mean using federal money to finance the development of competing power bases in the local community, is the worst possible type of government initiative, so far as I'm concerned.

G: But I gather that was really the exception rather than the rule, that most of them did work through and with the cooperation of the local--

S: You see, I think that the course we should have taken, instead of developing still another independent force to pressure line politicians to do the right thing by their people, we should have formed an alliance with elected officials and start to do ten years before the Nixon Administration did it, and that is give them tools to work with by giving them long-established programs over which they didn't have any control. I think the mistake was--particularly by some bureaucratic thinking--that these programs were so desirable and so juicy that they served as the ideal carrots and sticks to keep local government in line. And I think that they missed the point, that we were developing a new generation of

local leadership who with some incentives, mostly carrot, not stick, would be willing not only to take over the existing separate authorities, but be willing to listen to additional programs such as Community Action or Model Cities, whatever you wanted to come up with, to put some leverage in the hands of the beneficiaries of government programs.

G: Why do you think there was no more provision for housing in the Economic Opportunity Act as it was passed?

S: Because they didn't know how to do it. I think that the housing programs were so rigid and set, the legislative technique of getting money for housing programs was so set, the coalition-building methods were so set, that nobody really wanted to disturb it. Oh, I think on one or two occasions just for the fun of it I said, "Look, why don't you take on the public housing program?" And it was like inviting them to handle a live grenade, because even in those days, even after the Democrats had won the executive branch, housing was still a most difficult program to pass if it had public housing in it. And the only way you ever got public housing was to combine it in an omnibus bill with some of the goodies for the suburbs and the home loan banks and the savings and loans and the commercial banks. That's how you got public housing. To some extent that's still the way you do it. You have to have an omnibus bill. Especially ever since public housing got to be one of the ingredients in trying to resolve class and race issues in big cities, and now suburbs,

G: Are there any other aspects of the task force deliberations that you participated in or that you have any recollection of?

S: I apologize for not being better prepared, because if I had had this I would have gone

through the files and plucked out a lot of things and--

G: Thank the Postal Service.

S: --I would have been reading from notes and maybe even stuff that I had written down about this. To me the task force meetings on OEO were more ratification meetings than they were think sessions. I think Sarge Shriver had very few people around him that he worked with, and they'd come up with ideas and they would have larger groups ratify these things.

G: Did you ever have any insight as to what Lyndon Johnson's perception of the War on Poverty was or what it should be? For example, someone once said that he saw it as a reenactment of the NYA [National Youth Administration] and his own experience in the New Deal.

S: I don't know the answer to that suggestion, whether it was or not, because I've heard him talk about his experiences in the New Deal, but then I've heard him talk about a lot of other things, too. It's one of these other things I'd like to submit to you.

I think that Lyndon Johnson knew how to count. I think he saw the 89th Congress as that golden opportunity. I think that instinctively he went for things that helped disadvantaged people. I think he was that kind of a guy. And I think he also was a great delegator to people who had responsibility for drafting legislation, submitting it to the Hill. I know when I worked for him for about a year, and I was part of the lobbying force that would go up to this or that congressman or senator, he was awfully good at suggesting how you should approach a Wright Patman or a Senator Sparkman. He'd be very good in saying, "Do it this way, and you hold me in reserve in case--I don't think

you're going to need me, but you might."

G: Were there any that he wanted to see himself, that he wanted to reserve the dealing between the two of them rather than sending a liaison?

S: I don't think so. He was never jealous.

G: No, I don't [mean that]. Maybe because he regarded the Senator as so important or a close friend of his that he felt that perhaps the Senator might be offended if he himself [didn't contact him].

S: There my experience may be too narrow, because whenever I had an assignment to talk with someone on the Hill, it was generally someone that he and I had already worked with. Because I spent six years on the Hill, which were the six years that he was majority leader. You see, he became minority leader in 1953. In 1955, after the Democrats won the Senate, he became the majority leader. That was my first year. So his six years on the Hill and mine are coincident.

The people who worked on this type of thing, whether it was a Paul Douglas or Sparkman or Lister Hill, [William] Fulbright, Jennings Randolph of West Virginia, we'd already worked together on most of these things. As a matter of fact, I cannot recall submitting anything from the executive branch all through my six years in the executive branch that didn't have some kind of antecedent both as to idea and as to players in the Senate. Because by the time we had the showdown on demonstration cities in 1966, Larry O'Brien and Mike Mansfield and I worked all day while the Senate produced a forty-seven to forty-three vote, something like a two or three or four vote margin, to pass the damn thing. And the lobbying that we did was a *deja vu* for me, because I was

working with the same people who were around in the fifties.

The swing vote, interestingly enough, was a vote that came about from the Republican side, Governor [George] Aiken, who was a Republican senator from Vermont. He gave us a vote that swung two or three votes and gave us the majority. He gave us the vote, in my judgment, because we had given a little small planning grant to a small town in Vermont--what's the name of that city where there's a school? Putney, where they train international people from overseas to learn English. Putney wanted a fifteen thousand dollar planning advance, and I couldn't get the bureaucrats to give it to them. I had known Governor Aiken because we used to have breakfast together in the Senate. He called me and said he's having trouble getting this thing through and he hates to ask me to do something like that. But he seems that if it's otherwise deserving, do I think I could get him that grant?

So I called the bureaucrats and I got every conceivable reason why it shouldn't be approved. This was not a grant at all; it was an interest-free advance that had to be paid back. So I just did it. You're not supposed to do that, because the bureaucrats will undercut you if you--but it was technically feasible and it probably would have gone through eventually, but he wanted it then, so he got it. And to me, that's how we got Model Cities. Now that's supposed to be old-fashioned politics, but it was not corrupt. Putney did a good job with that fifteen thousand dollars. They paid the money back, and we got the vote from Governor Aiken.

G: That's fascinating.

S: I remember it was the day of a luncheon that was being held in honor of Margaret Chase

Smith being nominated, the first nomination of any woman for national office. I think they had nominated her in 1964. This was the second anniversary. At any rate, it was an excuse to have a party for Margaret Chase Smith. Senator Aiken's secretary, Lola Pierotti, whom he has since married--after his wife died he married his secretary, Lola Pierotti, a very savvy gal--was putting on the party for Margaret Chase Smith. I went around there about eleven-thirty, or quarter to twelve, and said, "I need a vote." While talking I helped her put up the decorations. And she said, "Let me talk to the Governor. He's still pleased that you got him Putney." I said, "Well, whatever you can do."

So it was about two or two-thirty and the party was over and Margaret Chase Smith had been ceremonialized. Aiken and Mike Mansfield used to be breakfast companions, four or five times a week down in the cafeteria. And she came up to the Majority Leader's suite, which had been Johnson's; now it's Mike Mansfield's. We're sitting around a round table sweating out this damn vote, and we got Ed Muskie to be the manager. He had managed rent supplements the year before and was now managing Model Cities. He had started the debate and he was sending back reports, "It's rough. We got to get some more votes. We haven't got the votes." And Lola Pierotti stopped by, called me out, and with a twinkle in her eye she said, "Milton, the Governor said he's going to give you a vote on that lousy damn bill of yours." That broke the back, and so by sometime after supper we put together that majority.

There was a Johnson barnstorming trip through New England in August and all the New England senators and most of the congressmen were invited to get on *Air Force One*. We started out in the Catskills because he owed one to former Congressman

[Joseph] Resnick in Ellenville, and then we went to Burlington and did one or two stops in each state and then ended up in Portland for an overnight cruise on a cruiser up to Campobello, where he dedicated one of those Roosevelt things. Sitting in that wardroom with Muskie and Aiken, most of the northern New Englanders, Mansfield made a little speech and recalled the Model Cities debate that year, because this was August of 1966 and it had passed, I don't know, a month or two earlier, something like that. And he said that this was one of the few bills in which votes were changed by virtue of the arguments of the manager. That plus Aiken and that Putney grant.

G: That's an interesting story.

S: Yes. Now all of those things involving even Model Cities, which was supposed to be for the big cities, Aiken felt he could give us a vote on what was ostensibly a task force effort for the big cities, because the agency that was going to administer it was sensitive to poor folks in the small towns. That's what I mean by the omnibus bill approach and the coalition building. There was no--

G: There were grants given to smaller cities.

S: Eventually, that's right. But by that time I think Model Cities was dead as a viable program. Because it started out with grants to seventy cities. It just fell of its own illogic.

G: Well, I gather it was Congress that broadened the number of cities.

S: Congress broadened it in this sense, that a guy like Mike Manatos would go to the Senate side and Henry Wilson would go to the House side and bring back reports to the congressional liaison meeting and say, "We don't have the votes. But so-and-so said he'd

give us a vote if we would include his city." So you decide which cities have to be put in in order to get a majority. So you start shaping the legislation until you get 50 per cent plus one. And that's just about how the votes came out on rent supplements in 1965 where you logrolled with a lot of stuff outside of housing. And by 1966 there wasn't enough credit in the credit bank, so you had to logroll within the program itself and say, "Okay, you'll get a piece of the action."

G: Fascinating. Well, I certainly do thank you for taking this time.

[End of Tape 1 of 1 and Interview I]

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