

9/29/65

Lorene:

Mr. A's note
says: Spoke
to Lee about this.
No reply expected."

Jack

[1 of 12]

Cliff -
Reaction
please?

[2 of 12]

THE WHITE HOUSE
WASHINGTON

Central
File
C.A.

Spoke to her about this -

no reply expected

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

August 30, 1965

MEMORANDUM FOR MR. WHITE

Subject: Mr. Hardy's proposal for non-interest bearing working capital loans to Negro construction firms participating in reconstruction of the Watts area

The thrust of Neal Hardy's proposal, as I understand it, is that a preferential, subsidized credit program is needed and will be effective for breaking the pattern of discrimination against Negro small business enterprises so that they can participate fully in the physical upgrading of ghetto areas. We would dissent on both grounds. Our programs should be aimed at assuring that the Negro enjoy equal opportunity and should be targeted to overcome specific obstacles faced by Negro businessmen rather than adopting a broadside approach.

The current program most pertinent to the objectives stated by Hardy is the SBA Economic Opportunity Loan (poverty loan) program. This program is geared to meeting credit needs of extremely high risk, very small businesses operated by the poor or in blighted areas where the benefits of a loan will flow to the poor. The loans, however, are placed on a business basis at 5 1/2 percent interest and only after an assessment of the applicant's ability to repay. They are available to all races. Furthermore, financial assistance through poverty loans is coupled with management and other assistance aimed at giving the beneficiary a fair chance to compete.

There is no precedent in existing law for non-interest bearing working capital loans to domestic, private businesses. They have not been provided in New York, where Hardy has successfully involved Negro firms in several major construction jobs. Where assistance of this magnitude is needed in the national interest, it is usually provided through grants. The difficulty which we have with Mr. Hardy's proposal may be dramatized by asking what reaction might be expected to a grant program available only to Negro businessmen.

It should be stressed in assessing Hardy's proposal that, although the beneficiaries of this subsidy would be working in a blighted, ravaged area, they themselves would generally not have suffered damage. Reconstruction in Watts may be determined by the President to require some

special Federal assistance or even partial compensation of property losses. It almost certainly will not be determined to require subsidies to the contractors who are employed in the reconstruction effort.

The SBA poverty loan program is administered through small business development centers, organized by local government and non-government groups. Several have been located in areas where there is a principally Negro clientele. It is anticipated that a small business development center will shortly be established in Los Angeles. If properly organized and if the Negro business community seizes the opportunity which it presents, the poverty loan program has the potential for contributing significantly to breaking the pattern of discrimination which concerns Neal Hardy.

A draft letter to Mr. Hardy is attached in the event Mr. Moyers may wish to make a reply to his proposal.

Attachment

Bill
William M. Capron
Assistant Director

P.S. This is the promised follow-up to our phone conversation. To repeat, the short answer to your specific question is: Yes, Hardy's scheme would require legislation; and, yes, you are correct in assuming BoB opposition - - for reasons stated above

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

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/s/ Bill

Attachment

William M. Capron
Assistant Director

THE WHITE HOUSE

Washington

Dear Mr. Hardy:

Thank you for your recent memorandum suggesting that non-interest bearing working capital loans be allowed for Negro construction firms capable of participating in rehabilitation of the Watts area.

We have been concerned, as you are, that hidden techniques of discrimination are preventing Negro businessmen and workers from participating fairly in the construction business and in other trades. Equal opportunity is, of course, one of the principal objectives of this Administration. However, your proposal would appear to go beyond equal opportunity to give preferential treatment to one segment of the business community. This would present obvious difficulties.

The experience which we have had with the Small Business Administration's "poverty loan" program, although very limited so far, suggests that the most critical need is not for subsidized credit, but for management and other forms of assistance including access to credit, insurance, labor, supplies, and bonds on fair and reasonable terms. This is what we are trying to provide through the Economic Opportunity Loan program and what I am sure you are trying to assure as well.

Sincerely,

THE WHITE HOUSE

Washington

Dear Mr. Hardy:

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Sincerely,

August 19, 1965

Mr. Lee White - The White House

This is the document Wayne Phillips asked me
to send you.


Neal Hardy

August 19, 1965

MEMORANDUM TO: Bill Moyers

FROM: Neal Hardy
New York City Rent and Rehabilitation Administration

SUBJECT: Reconstruction in the Watts Area

Reconstruction of damaged and destroyed buildings in the Watts Area of Los Angeles could well become a demonstration of how the Federal Government can assist Negro businessmen and Negro construction workers to participate on a fair basis in the building business.

The device for accomplishing this is very simple--make it possible for local Negro construction firms to bid on competitive terms with their white competitors.


We have learned in our experimental rehabilitation projects in New York that there are a number of Negro electrical, plumbing, carpentry, plastering, etc. firms which are experienced and competent. They are, however, typically small businesses whose limited working capital and limited bonding capacity make it difficult - if not impossible - for them to bid on jobs of any reasonable size.

If non-interest bearing working capital loans could be made to similar firms in the Los Angeles area, and business owners could be influenced to select Negro firms, the visible and immediate results in terms of business profits and increased Negro employment would be an obvious and meaningful answer to at least some of the charges as to why the Watts area exploded.

This proposal would not cost anything except loss of interest, since the loans would be repayable upon completion of construction.

I have written this note since our experience in New York has already proved that a similar approach is necessary if we are to involve the Harlem business community in direct participation in the physical upgrading of that area.

Finally, all American cities have an experienced reservoir of skilled artisans within the Negro community. They are resentful that large white firms are "squeezing them out". Why not make it possible to utilize a real resource such as this - not just in Los Angeles or New York but throughout the country?


Neal Hardy

August 25, 1965

TO: Bill Capron
Bureau of the Budget

FROM: Lee White

I assume that Neal Hardy's suggestion would require legislation. I would appreciate the answer to that question and, of course, the general comments of the Budget Bureau would be appreciated.

Copy of 8/19/65 memo to Bill Moyers from Neal Hardy, NYC Rent & Rehabilitation Administration re £ Reconstruction in the Watts area.

UNITED STATES GOVERNMENT

Memorandum

8/24 → Lee White
CONFIDENTIAL - ADMINISTRATIVE

PUBLIC HEALTH SERVICE

For J. A. [unclear]

DATE: August 23, 1965

*Center Files
C. A. [unclear]*

TO : The Under Secretary

FROM : James M. Hundley
Acting Surgeon General

SUBJECT: Possible Projects in the Watts Area of Los Angeles

As requested this morning, below are proposals for Public Health Service involvement in concerted support to California for the Watts area of Los Angeles County:

1. Developing Home Health Aides in Watts, Los Angeles County, California

We propose to extend health services delivered to the Watts area by providing through training and operation an additional component of health manpower: Home Health Aides. Prototypes elsewhere have provided needed extension of services and have created new employment opportunities. In view of expected demand for home health care services, Public Health Service considers such program timely and urgently needed in the Watts area.

Program could be launched immediately, utilizing PHS-supported catalytic teams (public health nurse and social worker) to aid the Los Angeles County Health Department in organizing recruitment, training, and in developing supervisory capacities. This team would act as liaison between Watts community resources and health resources of official and private organizations; and would aid in developing program leadership.

Functions of Home Health Aide

A Home Health Aide is usually a woman who maintains her own home and aids in homes of others on a part-time basis. In addition, under supervision of a health professional (usually a public health nurse) she can give simple personal health services which include assistance in bathing, toiletry, getting from bed to chair, prescribed exercises. A key function of the home health aide is to translate: interpreting professional health instructions to the patient and interpreting the needs of the patient and family to the health professional.

Authority

Section 314(c) of the Public Health Service Act.

Timetable

Weeks 1 - 4: Recruitment of Home Health Aide candidates; development of training and supervisory program.
Community organization (health / community resources) and liaison.

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan



Weeks 4 - 6: Training of home health aides.*

7th Week: Program is fielded and training continues on the job.
Assessment can begin.

Costs

* Trainee stipends probably to be met from sources other than PHS.

Specific costs to be developed as project is defined. However, rough guidelines:

Launching: Support of one catalytic team (Public Health Nurse - Social Worker) for three months -- \$10,000.

Operations: (Supported by variety of National-State-local and individual sources) New York City experience of costs, including supervision, is \$3.20 per home health aide hour. If 100 aides, \$12,800 per week.

A supplemental budget request is pending which, if appropriated, could be used to further expand this activity.

2. Aides for Housing

It is proposed that PHS furnish temporary personnel to assist the California and Los Angeles County Health Departments in conducting neighborhood training and information meetings for local residential groups on the elements of a neighborhood clean-up, fix-up campaign.

Such efforts, when properly organized, have proved to greatly improve the quality of the residential environment, and often serve to solidify a renewed self-pride in home and neighborhood. Activities could include:

1. Training neighborhood residents as sanitarian aides for the present health department staff.
2. Residential environmental appraisal, by neighborhoods.
3. A full environmental health survey for the Watts area.

Authority. Section 301 of PHS Act as amended.

Costs. On a small scale (\$2,000) under existing funding. To conduct the program on a realistic scale would require funding at higher levels.

3. Urban Health Agent - to aid the isolated, lower income negro in overcoming his lack of knowledge of existing health services and how to use them. We are exploring this, and the possibility of additional proposals, with staff in Washington and in our Regional Office in San Francisco.

DEMOCRATIC NATIONAL COMMITTEE
1730 K STREET, N.W.
WASHINGTON 6, D.C.

August 23, 1965

LOUIS MARTIN
DEPUTY CHAIRMAN

TELEPHONE
FEDERAL 3-8750

MEMORANDUM FOR MR. LEE WHITE

The attached is for your
information.

Louis Martin



DEMOCRATIC NATIONAL COMMITTEE

1730 K STREET, N.W.

WASHINGTON, D. C. 20006

*File
Ch*

LOUIS MARTIN
DEPUTY CHAIRMAN

August 23, 1965

TELEPHONE
FEDERAL 3-8750

MEMORANDUM

To: Mr. John Bailey
Mr. Cliff Carter

From: Louis Martin

Subject: Los Angeles Riot

This memorandum is divided into three parts: tour of the riot area, meetings with public officials, and finally, general observations.

I. Tour of the Area

Immediately upon arrival on Tuesday noon, August 17, we were escorted through the riot area. Chuck Roche went with me.

We were surprised by the extent of the damage and the size of the area covered. The damage was confined to shops and consumer-type businesses, principally food and liquor stores. One branch bank on 103rd Street, the principal Watts business artery, stood untouched in a sea of debris. Six Safeway stores were reported hit and we saw the ruins of several still smoking.

A few shops with scrawled signs indicating Negro ownership, "A Blood Brother" etc., were spared by the rioters.

No residences were hit and only a few automobiles were destroyed.

Food centers had been opened that morning and we saw long lines of obviously dejected men and women waiting patiently and quietly for their turn. National guardsmen were standing watch. Indeed, the guardsmen were well deployed all over the Watts area, some manning barriers, directing traffic at intersections where the traffic lights were dead and others patrolling the business streets in jeeps.

We saw two incidents involving Negroes and police. A patrol car stopped a couple of Negroes in an auto, ordered them out with drawn guns, frisked them and finding nothing, ordered them to the sidewalk while they searched the car. Nothing was found and after a little discussion with the Negroes who began to smile, the police let them go. Guardsmen in a jeep had stopped to watch the incident.

A little later we saw a similar situation where police were questioning Negroes who had been ordered out of their car. In both cases the police seemed to have been doing their job efficiently but they obviously were taking no chances.

We were struck by the neatness of the residential area, well tended little lawns separating hundreds of small one-story houses which were painted in bright attractive colors. Only a few multiple dwellings are in the area and these were run down in the slum tradition.

II. Meetings with Officials

At 5 o'clock that afternoon the elected Negro public officials whom we had called arrived for a four-hour meeting in our room at the Statler Hilton. They were: Rep. Augustus Hawkins and his aide Bill Williams, State Rep. F. D. Ferrell, State Rep. Merwyn Dymally and his aide, Miss Louise Ridgle, City Councilman Gilbert Lindsay, City Councilman Billy Mills, and Maurice Weiner, deputy for Councilman Thomas Bradley, who is in Europe. In addition to these Los Angeles officials there were present three Compton officials, Councilman Lionel Code and Douglas Dollarhide and city clerk Doris A. Davis. Nonpolitical persons present part of the time were: John A. Boggs, of the County Human Relations Board, Charles Knox of the Youth Board and William T. White, Jr. of the HHFA Region.

A general discussion of the causes of the riot and plans for the future took place. Here are a few points:

1. Most agreed that Police Chief Parker and the police force constituted a provocative force in the general unrest which erupted into a riot. Councilman Billy Mills seemed not to share the general feeling about Parker and refused to agree to suggestions that all join in asking for Parker's removal. All, however, agreed that more Negroes in the police force were greatly needed.

2. All agreed that unemployment, particularly among young Negro males, was a major factor in the riot. They felt economic problems were the basic causes of unrest. They saw no quick solution to this. Several reported that unfulfilled promises of help from anti-poverty funds and other sources had proved a serious blunder leading to great frustration. Most blamed lack of anti-poverty funds on the political conflicts among public officials with some accusing Mayor Yorty of major blame.

3. The most interesting revelation at the meeting was the fact that State Rep. Ferrell who lives in Watts was threatened by the rioters. He reported phone threats and one attempt by rioters to get into his backyard. He and his sons stood an armed watch around the clock. Rep. Ferrell won the district on a racist appeal just four years ago. Up until that time the Watts area was represented by a veteran white assemblyman. Earlier the press carried the fact that Councilman Billy Mills had been threatened by the rioters. The rioters had no love for "upper class" Negroes.

4. Those present said this was the first such meeting of Negro officials and that there was great need for more coordination of their work and more cooperation among them. Rep. Hawkins agreed to call everyone together again on his next trip back from Washington. His leadership was generally acknowledged by the other officials. Hawkins asked each one to come up with some constructive proposals that seemed politically practical and upon which all could agree.

5. On Wednesday morning, August 18, we had breakfast with Fred Burns, representing Jesse Unruh, who had gone to Sacramento. Burns was very critical of Governor Brown and deplored the fact that the Governor was proposing a commission to investigate the riots. He said Brown would not run for Governor. He felt that Yorty would. According to Burns almost anyone could beat Brown and he cited several polls to support his view.

6. At noon Wednesday, August 18, we met with Governor Brown in his hotel suite. He was very enthusiastic about the commission he proposed to study the riot situation. He said he had just ended a conference with Police Chief Parker who apparently wanted the governor to defend him against the criticism of police brutality. The Governor said he did not believe Parker was a real bigot but that he was hypersensitive about his police department. The Governor asked for all the details of the meeting of Negro office holders and he seemed pleased that we had tried to bring some unity among them.

When the question of Jesse Unruh came up, the Governor charged that Jesse was still fighting him and that his boys were spreading the rumor that he was not going to run for re-election. When it was suggested by Roche that the Governor let Jesse give him some candidates for membership on the riot commission the Governor acted promptly. This was to be an act of good faith and the Governor asked an aide to get Jesse on the phone. Jesse could not be reached while we were there. The Governor said that he would try to be cooperative but he was not going to let anybody run over him. He did not think Mayor Yorty would run for governor. He did not reveal his plans either. The Governor seemed to be in full control of the riot situation and rather eager to announce his commission and the crash program for the area.

7. We had a late lunch with Joe Cerrell of Gene Wyman's staff and later visited Carmen Warshaw in the hospital. They both repeated much of what we had heard before. Mrs. Warshaw criticized the Negro

politicians and indicated that had they exercised real leadership in the community the riots could have been averted.

III. General Observations

1. Police Chief Parker seems to be adored like Edgar Hoover by the whites in power but hated by many Negroes. His public statements are insulting to Negroes and at times almost incendiary. Suggestions for a police review board and an increase in Negroes on the police force seem worthwhile. It was reported that on a force of 5,000 there are about 200 Negroes. Parker, however, does not seem open to suggestions.

2. Mayor Yorty is not supported by white liberals nor the majority of Negroes. He won with conservative support and although he once campaigned against Chief Parker, he is now squarely on his corner. Conservatives seem on the rise in Los Angeles, including the Birch crowd who helped Goldwater beat Rockefeller. Yorty was blamed by Negroes for the failure of the city to get anti-poverty help from Washington. There is no city-operated human relations commission. The Negro councilmen may try to get this with Yorty's support.

3. There seems to be a serious weakness also in the religious leadership of Los Angeles. The head of the powerful Catholic Church group is ultra-conservative. The Cardinal had little to say about the riot and he is known for his opposition to civil rights activities. None of the church groups seem to be giving strong civic leadership in Los Angeles.

4. The prospects of the state and local Democratic Party are not encouraging. Mayor Yorty is a maverick who knows how to divide and rule the various groups and communities that make up Los Angeles.

Most Democrats are caught up in the fierce rivalry for power between the camps of Jesse Unruh and Governor Brown. This rivalry is probably more intense among the lieutenants than between the principals.

Negro politicians are tied, like most citizens, to various strong personalities rather than to the Democratic Party. As long as the white wheels are divided it will be difficult to get any unity among the Negro Democratic leaders.


5. I believe that the chaotic state of Democratic Party affairs in California require the serious and immediate attention of the national party leadership. Republicans are bound to gain from the divided Democratic leadership which appears to be on a suicidal course.

The Watts riot in Los Angeles seems to be just another rock upon which the leaders are determined to dash their heads. Perhaps an outside force can shake them up and finally start building a good political team.

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

August 20, 1965
Friday, 3:45 pm

FOR THE PRESIDENT
FROM Lee White 

When Dr. King could not get to talk with either you or the Vice President his aide, Reverend Andrew Young, discussed with me what he knew that King wanted to pass on to you.

King views Los Angeles as basically an economic conflict between the haves and the have-nots, definitely not a racial dispute. He, King, is anxious that the impasse on the poverty program be broken and at the minimum that there be some reason to be hopeful on the part of the Negro community that it will be resolved soon. King believes that Mayor Yorty and Police Chief Parker have an uncommon capacity to say the wrong thing and that their stubbornness and ineptness has continued to keep the situation quite tense.

He, Young, indicated that there is considerable concern that the rioting may erupt again this week end and that any ray of hope on the poverty or job front might ease the situation.

Young was advised that King had received a call from some of his associates in Philadelphia asking that some of King's people go into the community today to attempt to ease the situation since there is fear that there might be a similar eruption. I have passed this information on to the FBI and suggested that it be relayed to the police authorities in Philadelphia. I have not taken any steps to get in touch with Mayor Tate and will not do so unless you indicate that I should.

King will be leaving Los Angeles at about 5:00 p.m. our time and will be in Atlanta about 11:00 p.m. our time.

CC (Miss) - 1965

I get the distinct impression that as he leaves Los Angeles King would love to be able to announce that he has viewed the situation and has reported to the President indicating that he has advised that the resolution of the poverty dispute would go a long way in easing the Los Angeles situation. If he cannot get you then his desire would be to make it known that he had reported to the Vice President. King's man did indicate that if it were not possible for King to talk to you this afternoon he would hope that he would have an opportunity to do so tomorrow morning

It seems to me that I might call King (I am not sure he would talk to me but if not I would talk to Young) and inform him that I had talked to Shriver in an effort to communicate the sense of importance and urgency about resolving the Los Angeles poverty program difficulties. I would tell him that Shriver had already heard from Governor Collins along these same lines and that he had indicated his continuing desire to work out a satisfactory arrangement with the city leadership at the earliest opportunity. I would express the hope that whatever Dr. King might say as he leaves LA would be calculated to allay any fears that there is no concern about the Los Angeles Negroes in Washington, and that obviously he hopes that all concerned will make every effort to get at the difficulties in the community on a restrained and peaceful basis.

As far as the President or the Vice President is concerned, I would tell him that we will get the word to them as quickly as possible. By late in the day tomorrow it may be possible for the Vice President to talk to King so that at least there is no problem about an unanswered telephone inquiry.

LCW

8/26

Mr. Capron - Budget Bureau

re Memo fm Neil Handy on possibility of housing
areas in L. A.

Your question: "Is legislation required?"

Answer: Yes -- legislation will be required to
implement this and they oppose going for it at
this time.

think MLK for his
good job

~~Statement today~~
along his lines

Let's
Ambassadors.

Violence does
good rights

w/

Shirley
will do something

→ Kerchel & letter to
King
will help

THE WHITE HOUSE
WASHINGTON

Harry -

NY Journal American
(Heart)

front - page story by Victor

Riesel on drifting

married

Pres. right now by w/ Latin Ambassadors

Rm 463

Shriver will be asked

670-9000

Kuchel letter

Hotel Hotel

we'll do all we can
appreciate your good job
Statement today.

M UK:

Confidentially, Perimeter

city govt. understanding is lacking
concessions are just not there.

If something isn't done, race war will
follow

White are now armed -- one incident
could set it off

Hope from Poverty program

Said over again - - Poverty

Mayor: people elected from area must
be appointed by him.

People will elect representatives but
mayor wants veto.

K under Y to yield this

Y says no because of Jimmy R, Gov.

B., Gus Hawkins

Could Pres talk to Yoty about the
Poverty Bd?

\$1.7 million

Andy Young (L.A.)

May be ^{able to} talk later on

Economic conflict between haves +
have-nots
not racial

MLK urges for Pres to get some
sort of poverty program soon

Want to give shred of hope over
week-end

Possible re-negotiating

Stubbornness of Yorty & Parker

Call for Phila Council of Churches
asked for help today

Same thing imminent there

Some effort to deal with unemployment
in Negro community.

Give them some hope.

K leaving in 3 hrs. (6 p.m. EDT)

in Atlanta about 10 EST

Could P. or VP talk then.

Y & Parker

Int'l Hotel. 670 - 9000 Rm 463
L.A.

**SPECIAL ASSISTANT
TO THE POSTMASTER GENERAL**

Memorandum

*July
See memo
C.A.*
August 16, 1965

Mr. Bill Moyers:

In reference to the Postmaster General's prospective trip to California, we have just received the enclosed report from our postal inspectors on the scene.

Ira
Ira Kapenstein

LOS ANGELES POSTAL INSPECTORS 8-16-65 10-10 AM PDST
FROM AIIC HUDSON
PLS ANN AS CALLED
CHIEF INSPR MONTAGUE
SAN FRANCISCO VAN METER

THE RIOTS BEGINNING WEDNESDAY NIGHT AUG 11 1965 IN THE SOUTHERN SECTOR OF LOS ANGELES ARE SPORADICALLY CONTINUING AND SPREADING TO OTHER SOUTHERN CALIF COMMUNITIES. A MOST OMINOUS AND SINISTER PORTENT IS WIDESPREAD SNIPER FIRING FROM RACING AUTOMOBILES AND ROOF TOPS. SUCH FIRING ORIGINALLY WAS AIMED AT POLICE AND FIREMEN BUT IS NOW COMPLETELY INDISCRIMINATE.

THE HARBOR FREEWAY, THE MAIN NORTH-SOUTH ARTERIAL, IS VERY HAZARDOUS DUE TO SNIPER FIRING. THE ORIGINAL 50 SQ MILE RIOT AREA OF LOS ANGELES HAS BEEN LARGELY CONTAINED BY POLICE AND SHERIFF FORCES AND 10,000 NATIONAL GUARDSMEN, EXCEPT FOR SNIPER FIRING NEARLY 90 PERCENT OF BUSINESSES IN THIS AREA HAVE BEEN LOOTED AND DESTROYED BY FIRES SET BY RIOTERS WITH MOLOTOV COCKTAILS. THERE HAVE BEEN 2840 FELONY

ARRESTS AFFECTED MOSTLY OF ADULTS. A CURFEW FROM 2 PM TO DAWN IS IN EFFECT IN THE AREA. LOOTINGS AND FIRES SET BY ROVING BANDS HAVE BEEN EXPERIENCED IN LONG BEACH WILMINTXXX WILMINGTON VENICE PACOIMA AND PASADENA IN THE LOS ANG METROPOLITAN DISTRICT AND AT SAN DIEGO AND SAN BERNARDINO.

ALL MAJOR PUBLIC EVENTS IN LOS ANGELES HAVE BEEN CALLED OFF, SCHOOLS ARE CLOSED AND PUBLIC TRANSPORTATION DRASTICALLY CURTAILED. POSTAL SERVICE IS CONTINUING UNDER CHAOTIC DONXX CONDITIONS WITH SOME RE-ROUTING OF VEHICLE SERVICE TO AVOID SNIPER FIRINGS AND OCCASIONAL INCIDENTAL DAMAGE TO STREET COLLECTION BOXES.

ONE STAR ROUTE TRUCK ENROUTE FROM LOS ANGELES TO LAWDALE THIS MORNING WAS FIRED UPON BY SNIPERS AT HARBOR FREEWAY AND IMPERIAL HIGHWAY. THE DRIVER WAS NOT INJURED AND LEFT THE AREA BY CIRCUITOUS ROUTE.

THE WEATHER CONTINUES HOT AND HUMID IN ALL OF SOUTHERN CALIF

TOP LAW ENFORCEMENT OFFICIALS STRONGLY URGXX URGE POSTPONEMENT OF VISITS, CONVENTIONS, AND OTHER PUBLIC GATHERINGS UNTIL THE RIOTS ARE EFFECTIVEXXX EFFECTIVELY CONCLUDED. THIS IS ESSENTIAL DUE TO POSSIBLE INFILTRATION OF SUCH GROUPS BY NEGRO NATIONALISTS, SUCH AS THE BLACK MUSLIMS WHO ARE ISSUING INFLAMMATORY HANDBILLS TO THEIR ADHERENTS

END AES 10-19 PLS DISCONNECT

DAZ

XEROX FROM QUICK COPY
8-23-72

Public Inq
CYS: 8. I. & I. RM 3521

[2 of 2]

Department of Justice
Washington*File
Cal.*

AUG 18 1965

MEMORANDUM FOR THE HONORABLE LEE C. WHITE
Special Counsel to the PresidentRe: Los Angeles Riot

Attached pursuant to your request to Ramsey Clark is a memorandum concerning the applicability to the Los Angeles riot of the Disaster Act of 1950 (42 U.S.C. 1855). The memorandum concludes that the President has legal authority to declare the riot a "major disaster" and thereby authorize the various forms of federal assistance provided for in that Act and related statutes.

I endorse the conclusion reached in the memorandum but wish to note that the question is somewhat more debatable than the memorandum indicates. The Act defines a disaster as "any flood, drought, fire, hurricane, earthquake or other catastrophe." Floods, droughts, hurricanes, and earthquakes are, obviously, all natural phenomena. The type of "fire" that bears the closest resemblance to those phenomena is a fire that burns out of control and causes widespread damage beyond the capacity of man to prevent--e.g., the Chicago fire, a forest fire, or a brush fire of the type experienced in Southern California a year or so ago. Whether such a fire is started by lightning, a negligent camper, or an arsonist, the fire itself becomes an "independent" destructive force not unlike a flood or hurricane.

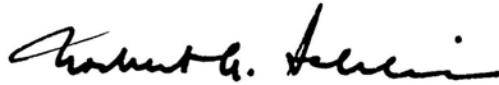
In the Los Angeles riot, "fire" was, to be sure, the main instrument by which damage was inflicted, but the "cause" of the widespread damage never assumed the character of an "Act of God" or natural phenomenon because it was never really beyond the control of man but, instead, was rekindled time and again by a series of willful acts by a horde of arsonists igniting individual buildings. Since each "fire" remained relatively small

and since each was apparently susceptible to being controlled with relative ease, it is somewhat difficult to view the "fires" as being an independent intervening cause of the damage. The extent of the damage remained dependent on continuing human participation and initiative. On that view, the "disaster" was the riot, not the "fires."

Similar difficulties are presented by the catch-all phrase, "or other catastrophe." By the doctrine of eiusdem generis, the phrase would normally be construed as limited to events of a character similar to the enumerated ones. If "fire" is limited to fires that become independent destructive forces without continuing human direction or intervention, then all the enumerated disasters are events in which the forces of nature "take over" and wreak havoc beyond the power of man to prevent or control. A riot, obviously, does not easily fit into that category.

Despite those difficulties, however, I am satisfied that O.E.P.'s construction of the Act as broad enough to include the riot is a permissible one. The purpose of the Act was to relieve widespread damage and human suffering "of sufficient severity and magnitude" that the State government could not readily deal with it without federal assistance. So long as the damage is of "major disaster" proportions, it is not apparent why Congress would have wanted the capacity of the federal government to give assistance to depend on whether the cause happened to be human or natural. Either way, the need is the same. In addition, the President, as the memorandum demonstrates, was given a very broad discretion to determine whether a catastrophe constitutes a major disaster. The purposeful provision of such flexibility in application seems inconsistent with a purpose to impose technical requirements as to the nature of the causes of the damage. For those reasons, O.E.P.'s

liberal interpretation of the statute seems to me justified. If the President determines that the consequences of the Los Angeles riot do, in fact, constitute a major disaster, and if he wishes to declare the results of that riot a "major disaster", I am satisfied that he has legal authority to do so.



Norbert A. Schlei
Assistant Attorney General
Office of Legal Counsel

AUG 16 1965

MEMORANDUM

The question has been raised as to whether the Disaster Act of 1950 (42 U.S.C. 1855) may be construed to permit federal assistance to be given to the State of California and the City of Los Angeles for damage caused by the recent riots.

The general purpose of the Act is to give comprehensive federal aid to States and local governments suffering from a major disaster. The term "major disaster" is defined to mean "any flood, drought, fire, hurricane, earthquake or other catastrophe" in the United States which "in the determination of the President is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government... ." Under the Act, the Governor of the State must certify the need for such assistance, and give assurance that the State or local government will supplement the Federal aid. By order No. 11051 of October 2, 1962 (27 F.R. 9683), the President delegated to the Office of Emergency Planning (O.E.P.) the functions of administering disaster relief.

See U.S. Code Cong. and Adm. News, vol. 2 at p. 4375, 81st Cong. 2nd Sess. The assistance granted may be by way of funds, equipment, services or combination of all. Upon a determination by the President that a major disaster exists, federal agencies may be called on by the O.E.P. to provide assistance by utilizing, lending, or donating equipment, supplies, food, medicine, and personnel, and such agencies may make emergency repairs and temporary replacements of public facilities of local governments damaged or destroyed by a major disaster. Moreover, the Small Business Administration is empowered to make loans to small business concerns located in an area affected by a major disaster as determined by the President under 42 U.S.C. 1855, if the Administration concludes that the concern has suffered a substantial economic injury as a result of such disaster. 15 U.S.C. 636(b).

I. The Language of the Act.

The City of Los Angeles and State of California could qualify for disaster relief on two grounds. The element of "fire" is present without dispute; the widespread riot,

looting and accompanying substantial damage in the stricken area, alleged to exceed 200 million dollars, would reasonably make this an "other catastrophe" within the meaning of 42 U.S.C. 1855(a).

II. The Legislative History.

The legislative history of the Act is not inconsistent with this interpretation. True, it does not indicate that damage from riot or insurrection and accompanying fire was expressly considered as falling within the meaning of "major disaster." On the other hand, the legislative history does not evidence any intention to exclude such a situation either. That broadest coverage for major peacetime disasters was intended, however, regardless of cause, is plain enough. Thus, the House Report on the bill stated the following:

"The purpose of the bill is to provide for an orderly and continuing method of rendering assistance to the States and local governments in alleviating suffering and damage resulting from a major peacetime disaster and in restoring public facilities and in supplementing whatever aid the

State and local governments can render themselves." H. Rept. 2727, 81st Cong. 2d Sess., p. 2. Reference was made in the House Report to the fact that in the past appropriations to the President had been made for relief from "floods, and snowstorms" in particular areas without authorization, and therefore this bill was not novel legislation. Id. But there was no suggestion in this Report that relief was to be restricted to cases involving so called "natural" disasters as distinguished from those precipitated by wanton or careless acts of individuals.

Neither the House nor Senate debates on the bill expressly considered the case of a disaster caused by riot or insurrection, but here again there was also no suggestion that such cases were to be excluded from the coverage of the Act. If anything, the intention manifested during debate was that the Act would apply "no matter when or where a catastrophe occurs." 96 Cong. Rec. 11897.

In the House debate on the bill, emphasis was placed on furnishing relief to protect lives and property and to alleviate suffering and damage during the disaster period

(96 Cong. Rec. 11896), not on the specific causes of the disaster. As Mr. Whittington, Chairman of the Public Works Committee and manager of the bill in the House said: "No one knows when a disaster like the destruction at Texas City, Tex., will occur. No one knows when a tornado may strike. No one knows when a flood may come." 96 Cong. Rec. 11897. Mr. Anderson, another active supporter of the bill, declared that in his opinion the bill "would cover any calamity our people suffer." 96 Cong. Rec. 11909. Moreover, in the course of the House debate there was introduced a list of 128 separate acts of Congress granting relief to States, regional areas, civil units and municipalities over a period of 147 years. Among these were chiefly acts granting relief for suffering occasioned by fire, flood, tornado, volcano, drought, earthquake, and hurricane. But in a number of cases relief was granted for suffering brought about by acts such as ship explosions, Indian depredations, and grasshopper ravages. 96 Cong. Rec. 11900-11902.

It was also recognized during the House debate that the bill would confer the widest possible discretion on

the President to decide what was a "major disaster," and it was conceded that was indeed the intention. In answer to Mr. Keating's objection that under the bill "it is left entirely to the Executive to say whether the disaster threatens to be of sufficient severity and magnitude to warrant assistance by the Federal Government," Mr. Whittington replied, "That is exactly what we have done." 96 Cong. Rec. 11910.

The debate on the bill in the Senate cast little light on what was included in the term "major disaster." It was admitted that the bill would not cover every "flash flood which washes out a bridge somewhere" and that the disaster must reach the proportions of a major disaster, as defined in the bill. 96 Cong. Rec. 15096. But here as in the House, Senator McClellan, manager of the bill on the floor, made it clear in response to questioning that the bill would apply to whatever disaster the President determined it should apply. 96 Cong. Rec. 15096. He stated that even if the disaster affected only one city, one county, or one village, a major disaster could exist under the

bill, but whether it existed would be a matter solely for the President. In this connection, Senator McClellan said (96 Cong. Rec. 15097):

"However, I think we certainly can rely upon whoever may be President of the United States having some judgment, and also having some humanitarian feelings and applying such feelings in making a decision as to what is a major disaster, where people have suffered or are about to suffer, and where the Federal Government should step in and assist."

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Franklin B. Dryden
Deputy Director

FROM : Robert Y. Phillips, Director
Government Readiness Office

SUBJECT: Los Angeles, California, Riot of August 11, 1965

DATE:

To Lee White
From Joe C. C. C.
Feb
C.A.

Federal Disaster Assistance Possible under PL 81-875 "Major Disaster" Declaration

If it is determined that the situation in Los Angeles qualifies as a "major disaster" under the provisions of PL 81-875, the following types of Federal assistance could be made available to State and local governments:

Protective work when necessary to preserve life and property. This would enable the Federal Government to reimburse local agencies for the cost of shoring up buildings whose collapse would jeopardize life or property.

The cost of clearing debris and wreckage from streets and other essential public property. Debris may also be removed from private property upon the certification by competent local, State and Federal health and safety agencies that the presence of such debris constitutes a threat to public health or safety.

If essential public facilities such as streets and bridges, water and sewer systems, and public buildings have been damaged, emergency repair or temporary replacement would be eligible under PL 81-875.

Temporary housing or emergency shelter could be provided for a limited period if a housing shortage develops as a result of the riot.

If a "major disaster" is declared, the Small Business Administration could make economic injury loans available to small businesses suffering as a result of the disaster.

Procedures established by the Office of Emergency Planning provide for the reimbursement of the cost of having additional civilian personnel or overtime paid to regular employees. These procedures do not provide for reimbursement of salaries or overtime of the National Guard or fire and police personnel as such forces are expected to be available at all times for any type of emergency assignment. However, the Director of OEP has the authority to make an exception in favor of reimbursement for expenses of the National Guard and public safety forces.

Types of Assistance Which Can Be Furnished Without a Major Disaster Declaration by the President:

Surplus foods can be furnished by the Department of Agriculture.

The Small Business Administration can declare a disaster area under its own statutory authority. This will permit disaster loan service because of physical damage to homes and businesses.

The Housing and Home Finance Agency can provide temporary housing for needy victims in such defaulted FHA - insured housing now owned by the Commissioner and may be available in the area.

The Public Housing Administration may give permission to local authorities operating low-rent public housing to waive income and other eligibility requirements and permit temporary occupancy by persons needing housing.

The Public Health Service can assist States and local health authorities with regard to health or sanitation problems.

The military can and has provided assistance under Army Regulation 500, the details of which we are not familiar with.

Robert Y. Phillips