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# COMMUNITY ACTION AND MAXIMUM FEASIBLE PARTICIPATION: AN OPPORTUNITY LOST BUT NOT FORGOTTEN FOR EXPANDING DEMOCRACY AT HOME

GEORGE ADLER\*

## I. INTRODUCTION

In Lyndon Johnson's 1971 autobiography, *The Vantage Point: Perspectives of the Presidency, 1963-1969*, he wrote, regarding the Community Action Program (CAP) component of the war on poverty: "This plan had the sound of something brand new and even faintly radical. Actually, it was based on one of the oldest ideas of our democracy, as old as the New England town meeting - self-determination at the local level."<sup>1</sup> This venerable, democratic ideal contains other American values within it, such as self-reliance, community and a belief in the common good. The Community Action Program (CAP) mandated "maximum feasible participation of residents of the areas and members of the groups served,"<sup>2</sup> recognizing that poverty and political powerlessness are inextricably bound together. This experiment in expanded democracy generated considerable political conflict and, eventually, the programs administered by the Office of Economic Opportunity (OEO) were "tamed" by transferring them to other executive departments and the goal of maximum feasible participation was abandoned. Over the course of the 1970s, conservative critics blamed the CAP for causing much of the turmoil of the "sixties" in an attempt to both discredit federal involvement in promoting social change in our cities and the ability of the poor to actively and productively engage in the political process.

But I believe that Federal involvement *per se* was not the problem. Nor do I believe that the history of that period proves that those who exist "outside the usual boundaries of American

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1. LYNDON B. JOHNSON, *THE VANTAGE POINT: PERSPECTIVES OF THE PRESIDENCY, 1963-69*, at 74 (1971).

2. Economic Opportunity Act of 1964, Pub. L. No. 88-452, § 202(1)(3), 78 Stat. 508, 516 (1964).

politics and American political discourse"<sup>3</sup> should remain there. There clearly were many problems with the CAP, including ambiguities within the language of Title II of the Economic Opportunity Act, which created the CAP, and administrative confusion within OEO itself. Perhaps the ambiguity of the legislative language originated in the naive belief of the theorists and planners of the Community Action Program that consensus within local communities could be easily reached, a naivete which left the administrators of the CAP unprepared for the intensity of political conflict generated by the requirement to include the poor in the process. This lack of preparation left the program politically vulnerable to powerful forces satisfied with the status quo, forces which wanted traditional social welfare spending, rather than the institutionalization of social change as a requirement for receiving Federal funds. Lyndon Johnson's growing preoccupation with the Vietnam War exacerbated this political vulnerability, since it diverted Johnson's political expertise and leadership away from the war on poverty when that leadership was essential to withstand the conflicts inherent in effecting institutional reform. These problems defeated what was arguably one of the most interesting attempts by the Federal Government to institutionalize the involvement of the poor in the political process in our country's history. Through a brief examination of these shortcomings, I believe it is possible to come to a tentative understanding of why that worthy attempt failed so that we as a nation can avoid those problems of policy implementation in the future rather than abandon an ideal which is so intimately ingrained in the American tradition.

## II. CAP: THE AMBIGUITY OF LEGISLATIVE INTENT

Lyndon Johnson, in his State of the Union Message to Congress in January, 1964, declared a "war on poverty." The "official case" for a war on poverty was documented in The Economic Report of the President, 1964,<sup>4</sup> written by Walter Heller and others on the Council of Economic Advisors, (a report initiated under President Kennedy. In general terms, this report described poverty in the United States much as Michael Harrington had in *The Other America in 1962*).<sup>5</sup> John Donovan summa-

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3. JOHN C. DONOVAN, *THE POLITICS OF POVERTY* 141 (2d ed. 1973).

4. COUNCIL OF ECONOMIC ADVISORS, *ECONOMIC REPORT OF THE PRESIDENT* (1964).

5. MICHAEL HARRINGTON, *THE OTHER AMERICA: POVERTY IN THE UNITED STATES* (1962).

rizes this view of what it means to be poor in America in *The Politics of Poverty*:

Poverty in the United States, if it means anything, decrees that its victims shall not participate in the diverse opportunities which the world's richest economy provides almost as a matter of course for those millions of its citizens who are not poor. As a social phenomenon, poverty in this country means poor schools, bad neighborhoods, some of the worst housing in Western industrialized civilization, poor health, and extraordinarily poor prospects for effecting any fundamental change in the "system."<sup>6</sup>

Johnson appointed an ad hoc task force, headed by Sargent Shriver, to draw up legislation for his war on poverty near the end of January 1964. Those in the task force who wrote the legislation (which became the Economic Opportunity Act of 1964) conceived of poverty as a complex problem requiring a comprehensive approach, an approach influenced in large part by the research and pilot projects funded by the Ford Foundation in its "grey areas program" and John F. Kennedy's President's Committee on Juvenile Delinquency. Title II of the Act, which became the basis for the community action programs, stated in Section 202 (a) (3) that local Community Action Agencies must be "developed, conducted, and administered with the maximum feasible participation of residents of the areas and members of the groups served."<sup>7</sup> Attorney General Robert Kennedy acted as administration spokesman for Title II. In testimony before Congress urging passage of the Act, Kennedy explained the requirement of "maximum feasible participation" this way:

The institutions which affect the poor - education, welfare, recreation, business, labor - are huge, complex structures, operating far outside their control. They plan programs for the poor, not with them. Part of the sense of helplessness and futility comes from the feeling of powerlessness to affect the operation of these organizations.

The community action programs must basically change these organizations by building into the program real representation for the poor. This bill calls for, "maximum feasible participation of residents." This means the

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6. DONOVAN, *supra* note 3, at 93-94.

7. Economic Opportunity Act of 1964, Pub. L. No. 88-452, § 202(a) (3), 78 Stat. 508, 516 (1964).

involvement of the poor in planning and implementing programs: giving them a real voice in their institutions.<sup>8</sup>

In Kennedy's explanation, the terms "residents" and "the poor" were interchangeable and this interpretation of the legislative language became virtually universal, though the exact meaning of "the poor" was left undefined. Surprisingly, there was little scrutiny by Congress of what was by far the most experimental initiative for institutionalizing social change since the New Deal of the early 1930s, due to its required participation of the poor. The Economic Opportunity Act, the legislative centerpiece of the Johnson Administration's war on poverty, was passed by Congress in August 1964. The Act established the Office of Economic Opportunity (OEO) as the new Federal agency, located in the Executive Office of the President, with the responsibility for administering the funds appropriated.

Those administering the CAP established guidelines for funding which were very broad in order to encourage local communities to define their own priorities in terms of solving local problems. There were three general ways in which a Community Action Agency could attack poverty. Communities could develop: 1) employment strategies, providing jobs and job training; 2) community organization strategies, assisting the poor in gaining "enough confidence in their own power to set about making their way in the environment and even, occasionally, attempting to change that environment;"<sup>9</sup> and/or 3) delivery of services strategies, where they could focus on improving "educational, medical, legal, and other social services."<sup>10</sup> The mandate that there be "maximum feasible participation" by the people in the area being served by the local Community Action Agency (CAA), was not only to increase participation of the poor in the process of eliminating poverty, but to create a structure which would induce important segments of the community to work together so as not to duplicate services and to better utilize existing services. One of the anticipated benefits of this approach was to actually *build* community by getting people within the city to work together.

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8. *Economic Opportunity Act of 1964: Hearings Before the Subcomm. on the War on Poverty Program of the House Comm. on Education and Labor*, 88th Cong., 2nd Sess., pt. 1, at 305 (1964).

9. John G. Wofford, *The Politics of Local Responsibility: Administration of the Community Action Program, 1964-1966*, in *ON FIGHTING POVERTY: PERSPECTIVES FROM EXPERIENCE* 70, 71-72 (James L. Sundquist ed., 1969).

10. *Id.* at 72.

An early CAP pamphlet entitled "A Hometown Fight" explained the approach while encouraging communities to apply for Federal funds:

The Community Action Program reflects confidence in the ability of individual communities to organize and carry out anti-poverty programs tailored to local needs and priorities. . . .

Local community action programs should be broadly based, involving representatives of the chief elected officials of the community, key public and private agencies and representatives of the poor themselves.

Community action programs should see that existing local, state and federal programs are linked in a concentrated drive against poverty. They should fuse older programs which have proved effective with new attacks against the varied problems confronting the poor. . . .

. . . .

The major goal of community action programs is to help individuals help themselves. Inherent in this approach is the conviction that the poor should play an active part in helping to develop, manage and work in community action programs.<sup>11</sup>

John Wofford, who was the deputy director in charge of administering the CAP, pointed out that those in the Federal Government who conceived the idea of the CAP felt that "[t]here was to be no federal blueprint, no magic formula worked out in Washington that would be imposed on local problems. Federal standards were to be held to the minimum required under the Act . . . ."<sup>12</sup> Part of the reason for this was because it was believed that local people knew their own problems best, but also because "the fear of federal domination over local affairs was so strong in Congress and in city halls that the problem of designing programs to meet local needs was left squarely with the localities."<sup>13</sup> This required the communities themselves to do the planning and coordinating of local resources and services, most of which were diffused and isolated throughout the community. The process of planning, which required "linking" programs together, was itself "conceived as the first and one of the most important forms of community action."<sup>14</sup>

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11. *Id.* at 75.

12. *Id.*

13. *Id.* at 75-76.

14. *Id.* at 76.

As Sargent Shriver, the head of OEO, viewed the general intention of the CAP:

Community action was not federal action; it was not state action; it was not city-hall action; it was not health-and-welfare-council action; it was not action by business or labor; it was not action by the poor - it was none of these alone, but it was all of these together; in short - community action.<sup>15</sup>

Though a broadly-based, coordinated effort drawing on all portions of the community concerned with poverty was strongly advocated by OEO, it was not required by the Act. Congresswoman Edith Green (D. - Oregon) had feared that a coordinating effort of this kind would require a long planning period, while some pre-existing institutions were ready to get started immediately, so she had the *requirement* of coordinating efforts stricken from the bill. The result was that an independent agency, acting alone, having formulated a good program ready to be implemented, could request funds directly from OEO in Washington. This change proved to have significant consequences. It could have provided OEO with tremendous leverage in support of the "maximum feasible participation" language of the Act, though at the time, the political implications of this leverage were inadequately planned for.

Community action sought to coordinate social services through a concerted effort of the entire community, including the poor themselves, and thus *build* community. This activity was predicated on a consensual decision making process which the original planners spent little time thinking through. However, had an organization been ready to get started right away *independent* of the rest of the local community - either because the community at large was slow in getting organized *or* because the independent organization sought to *change* local institutions and so stood outside the elite "consensus" - the language of the Act allowed direct funding of that organization, thus potentially aggravating pre-existing adversarial relationships. And herein lay the ambiguity of Title II. The hope for community consensus *and* the desire to empower the poor in order to foster reform of social welfare institutions inevitably produced conflict. Which was the higher priority? As James Sundquist, who served on the original Shriver task force, posed the dilemma:

What was unsettled, essentially, was the issue that had been defined in the long debate on the strategy for combating juvenile delinquency. In the war on poverty, as in the war

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15. *Id.* at 77.

on youth crime, was the target the individual or the community? Could poverty be eliminated by providing opportunity, or resources, to the individual within the existing "social setting" in Cloward's and Ohlin's phrase, or was it necessary to alter that setting, as they concluded, to heal the "sick community," to shatter and remake the "culture of poverty"?<sup>16</sup>

### III. THE SEARCH FOR CONSENSUS IN AN ADVERSARY DEMOCRACY

John Wofford wrote that the intensity of the reaction from local politicians to the funding of independent agencies took those administering the CAP "somewhat by surprise."<sup>17</sup> The naive assumption on which the CAP was built was that, given the inducement (i.e., Federal dollars), communities could come together to work toward the solution of a common problem, in this case the elimination of poverty, including in the process the poor themselves. As John Donovan described it, "The evidence available suggests that the Johnson war on poverty was conceived in a mood of political optimism which bordered on naivete."<sup>18</sup> In other words, they believed that disparate groups within the community would be able to come together and arrive at a consensus concerning the "common good," even if it produced heated disagreements within local politics in the process of arriving at a consensus. But the people in Washington did believe a consensus *could be reached*, though they also recognized the political nature of the funding: "If politics is basically the struggle of groups over policy and power, and control over funds and programs is a form of power, then - for better or worse - poverty and politics were inextricably bound together."<sup>19</sup> This naivete concerning the complexity of consensual decision making in an adversarial polity explains the administrators' "surprise" in Washington. Given the social, political and racial tensions of the sixties, in addition to the animosity many civil rights groups and the poor felt toward municipal political machines, in many cities around the country, particularly, but not only, in the South, consensus was more of an ideal goal than a political possibility.

A problem which developed in Mississippi in 1965 provides an excellent example of the political conflicts generated by OEO funding of an independent organization. Grassroots civil rights

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16. JAMES L. SUNDQUIST, *POLITICS AND POLICY: THE EISENHOWER, KENNEDY, AND JOHNSON YEARS* 152 (1968).

17. Wofford, *supra* note 9, at 79.

18. DONOVAN, *supra* note 3, at 113.

19. Wofford, *supra* note 9, at 79.



organizations, including the Congress of Racial Equality (CORE) and the Student Nonviolent Coordinating Committee (SNCC), had organized throughout the state and had drawn up a plan for a large-scale Head Start program. These groups formed a non-profit organization called the Child Development Group of Mississippi (CDGM) to carry out this program over the summer of 1965. CDGM enrolled approximately six thousand children between the ages of three and five. They were taught in eighty-four "centers" in twenty Mississippi Counties. Many of the centers were small black churches, renovated abandoned houses and in some cases, classes were actually held outdoors under the shade of trees.<sup>20</sup> CDGM organized within the black community, though the program was open to all. Most of the employees of the CDGM were black; many were veterans of the civil rights movement. OEO funded the program for the summer of 1965, a grant of \$1.4 million, and the results, as Wofford says, were extremely successful.

After this first summer, Mississippi Democratic Senator John Stennis, a powerful senior member of the Senate Appropriations Committee and a committed segregationist, initiated an investigation of CDGM, claiming mismanagement of funds. While there were in fact administrative weaknesses within the program, there appeared to be no problems which technical assistance from OEO could not remedy. Inefficient bookkeeping is typical of local community organizations which "make full use of non-professionals."<sup>21</sup> In response to the Senator's criticism and in support of CDGM, Shriver testified: "Because of this program, 5,280 Mississippi children received the education, the medical care, the social welfare services, and in some cases even the clothes, the like of which they never before enjoyed."<sup>22</sup>

Despite the Senator's opposition, in February, 1966 OEO announced final approval of a grant of \$5.6 million to CDGM to expand their Head Start program for the following year. In response, Stennis, Senator James Eastland and Representative John Bell Williams (all Democrats from Mississippi) attacked the decision, charging OEO with "remarkably poor judgement . . . [and] a complete disregard for the law passed by Congress."<sup>23</sup> (The law referred to was an amendment in 1965 which required that "OEO grant recipients were qualified to administer funds and programs and would make their records available to the

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20. DONOVAN, *supra* note 3, at 83.

21. *Id.* at 84.

22. Wallace Turner, *Congress Critical of Shriver Office, Curbs Poverty Program*, N.Y. TIMES, Nov. 2, 1965, at A19.

23. DONOVAN, *supra* note 3, at 85.

General Accounting Office, Congress' favorite fiscal watchdog."<sup>24</sup>) The Mississippi segregationists in Congress certainly were as concerned with the existence in their State of a Head Start program run by civil rights workers operating outside the segregated school establishment, as they were with sub-standard bookkeeping. Seven months later, OEO announced that they were cutting off funding of CDGM due to fiscal and administrative deficiencies and that the Program would be taken over by a new organization, Mississippi Action for Progress (MAP). OEO funded the organization with a grant of \$2 million even before MAP's application arrived in Washington,<sup>25</sup> clearly a highly irregular (i.e., political) move. Though there is a question of how MAP came into being - was it initiated by the White House or within OEO itself? - the tensions exposed by the conflict regarding OEO's basic purpose clearly came into public view: "how far should OEO go in promoting social and political change within a community; how far *could* it go and still obtain a high level of funding from an appropriations committee on which Senator Stennis' influence is far from minor?"<sup>26</sup>

When push came to shove, the white voters of Mississippi, and their powerful Democratic Senators in Congress, proved they had more clout in Washington than grassroots civil rights organizations. OEO's decision to cut off funding to CDGM, perceived as immoral political expediency by black activists, further alienated people who were already questioning the Federal Government's commitment to social change. Without a clear sense of purpose, OEO lost valuable credibility with conservative elites, liberals and national civil rights organizations, as well as the people the programs were designed to serve and empower.

Of course, it should also be remembered that the Johnson Administration, and national liberal opinion, solidly supported the goal of integration. For the Federal Government to fund two separate programs which were essentially racially based was, at that time, politically impossible. Due in part to its own naivete, and without a clear policy of how to deal with seemingly irreconcilable conflicts, OEO found itself in a no-win situation. Politically, OEO was immeasurably weakened by the failure of Lyndon Johnson to publicly and loudly come out in support of his own war on poverty, explaining the goals and the values inherent in working toward them, while quietly strong-arming consensus behind the scenes in his own inimitable way. However, he did

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24. *Id.* at 84.

25. *Id.* at 86.

26. *Id.*

not and the message seemed to be that when conflict surfaced between OEO and the entrenched powers of the status quo, Shriver would back down and the powerless would remain without power.

The maximum feasible participation of the poor requirement of the war on poverty also produced conflicts in major cities outside the South. When Johnson announced the war on poverty in January 1964, the U.S. Conference of Mayors was one of the few national organizations which voiced strong support for the new initiative. However, once the realization set in that OEO was serious about local community action agencies including the poor, the attitudes of many big city mayors changed abruptly.

Some mayors expected to use the new Federal funds to strengthen their own political machines. For example, Mayor Richard Daley named himself head of the local Community Action Agency (CAA) in Chicago and placed many City officials on its governing board. Daley appointed a black civil servant and educator (Dr. Deton Brooks) as executive director and chose two middle-class blacks to act as representatives of the poor on the board. Dr. Brooks, in turn, appointed the directors of the program's dozen neighborhood service centers; and these directors appointed the poor who sat on the neighborhood advisory councils.<sup>27</sup> In addition, critics alleged, not without evidence, that job applicants with letters of recommendation from precinct captains and aldermen had the inside track.<sup>28</sup> Through this kind of patronage, Daley used CAP funds as a means of extending and solidifying his base of power. He and his political machine set up the CAA in such a way to use federal dollars intended to reform institutions and give greater power to the poor as a means to prevent either from happening.

Daley's intent becomes clearer when looking at those local organizations which were not allowed to participate in his CAA. For example, The Woodlawn Organization (T.W.O.), located in the black slum south of the University of Chicago, was a federation of some eighty-five or ninety representative community groups "including thirteen churches (virtually all the churches of any influence in the community), three businessmen's associa-

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27. *Examination of the War on Poverty Program: Hearings Before the Subcomm. on War on Poverty Program of the House Comm. of Education and Labor*, 89th Congress, 1st Sess. 348-350 (1965) [hereinafter *Examination of the War on Poverty Program*] (statement of Deton Brooks, Executive Director of the Chicago Community Action Agency).

28. Lois Willie, *Political Feelers Start to Go Out for Plums in Poverty War Pie*, CHI. DAILY NEWS, Apr. 8, 1965, reprinted in *Examination of the War on Poverty Program*, *supra* note 26, at 355-357.

tions, and an assortment of block clubs, neighborhood associations, and social groups of one sort or another.”<sup>29</sup> T.W.O. had organized successful rent strikes against slumlords who had refused to bring their properties up to code, protested against overcrowded schools in the community, and successfully prevented the University of Chicago from carrying out their South Campus expansion and urban renewal project in 1960, which the University had tried to rush through the planning process despite the opposition of the residents and business people in the area. This was exactly the type of organization whose inclusion in the CAA was mandated by the Act. But their participation was not “requested” by Mayor Daley’s CAA. The president of T.W.O., Reverend Lynwood Stevenson, complained before a congressional committee of being excluded from the CAA, saying, “In Chicago, there is no war on poverty, there is only more of the ancient galling war against the poor.”<sup>30</sup> This criticism received national headlines in the press. OEO suggested that Daley reform his program to be more truly inclusive.

In response, Daley, along with other mayors, attacked the CAP at the annual meeting of the U.S. Conference of Mayors in 1965, claiming that OEO was implicitly endorsing “class struggle.” In a private meeting arranged later with Vice-President Hubert Humphrey, Daley led a group of ten mayors who “expressed their concern that OEO seems to be operating on the theory that existing institutions in society are antagonistic to the poor or unwilling to make changes necessary in their structures to effectively lead the war against poverty,”<sup>31</sup> an observation which was essentially true. The original planners of the war on poverty did believe that existing institutions were generally unresponsive to the needs and concerns of the poor and that the only effective way to pressure those institutions to become more responsive was to redistribute power to those being served. Daley’s actions, and the actions of other mayors who headed strong political machines, lent considerable credence to that social diagnosis. However, Daley, who as the most powerful Democrat in Illinois was effective in delivering votes in presidential and other national elections, applied pressure on Humphrey. The Vice-President, in turn, was able to pressure OEO to acknowledge that “the success of the program depends heavily

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29. CHARLES E. SILBERMAN, *CRISIS IN BLACK AND WHITE* 319 (1964).

30. *Examination of the War on Poverty Program*, *supra* note 27, at 360 (statement of Reverend Lynwood Stevenson).

31. ALLEN J. MATUSOW, *THE UNRAVELING OF AMERICA: A HISTORY OF LIBERALISM IN THE 1960s* 250 (1984).

on very extensive leadership by local government;"<sup>32</sup> in other words, do not question too closely local elites' choices of representatives of the poor. Once again, the naivete of the planners of the war on poverty concerning the intimate connection between local and national politics, the intricacies of local politics and the ability of local communities to achieve consensus created controversy which Shriver and OEO staff were politically unable to confront without the active support of the President. Federal efforts to institutionalize effective political participation of the poor at the local level were short lived. As early as 1967, Congress voted in favor of an amendment introduced by Representative Edith Green requiring that all OEO funds, beginning in fiscal year 1968, be channeled through local governments.

#### IV. ADMINISTRATIVE PROBLEMS WITHIN THE COMMUNITY ACTION PROGRAM

OEO faced administrative and bureaucratic problems right from its inception. As a major new initiative, which would distinguish Lyndon Johnson from his predecessor, the President wanted the program up and running as quickly as possible. Shriver's task force had only begun writing the legislation in January, 1964; the Economic Opportunity Act passed Congress in August, 1964 and OEO's \$800 million appropriation came through in October of the same year; a remarkably short time-frame. Though the actual granting of funds was held up (a political decision of the White House) until after the election in November, this meant that a large new agency responsible for spending \$800 million dollars in fiscal year 1964 had only a few months, starting from scratch, to set up its administrative apparatus and then had only a few more months to award grants and show results before going to Congress to ask for the next year's appropriation. This race against the political clock pressured OEO to establish guidelines and work out procedures as it went along, inhibiting staff ability to do careful long-range planning.

Additionally, OEO was responsible administratively for both coordinating programs with other Executive Departments (Labor, Justice, etc.) while at the same time directly organizing and funding programs of its own. This set the stage for future bureaucratic conflict and turf wars out of which OEO would eventually emerge the loser.

Wofford discussed many of the problems confronting the administrators in getting the program off the ground. Between

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32. *Id.*

August and November 1964, community representatives from around the country visited the Washington office of OEO. OEO staff would discuss with them their draft applications for funding and ask, among other questions, "whether representatives of the poor had participated in developing the proposed program to the 'maximum feasible' extent."<sup>33</sup> The reply from these "representatives," who were "usually sent because the mayor had put together a small group of influential local leaders," was usually, "[w]ell, not very much, but about as much as was feasible. We needed to move fast."<sup>34</sup> This type of answer satisfied the OEO staff until the telegrams started pouring in from around the country "addressed to Mr. Shriver, to the congressman for the district, to senators, to the President, protesting the alleged failure of the 'mayor's committee' to consult the residents of the area."<sup>35</sup> OEO then tried to mediate between the contending groups, which of course meant delay. Often those dissatisfied with OEO mediation took their complaints to the local newspaper and sent letters to their Congressman. This whole process appeared to the general public, which had not been adequately educated as to the goals of the war on poverty, and to some of those intimately involved, as a "political mess," on the one hand, or as a contest between the "establishment" and civil rights and protest organizations, on the other. However, as Wofford pointed out, this was to be expected; an important part of the war on poverty was to create this debate, and through a negotiating process within the community (if necessary, with the OEO as mediator) to arrive at a local consensus. However, this became a major problem, Wofford said, both because the *intensity* of conflict was greater than anticipated and because "there was not enough straight talk either from OEO or from local officials to make it clear that some controversy was inevitable and, in most cases, healthy."<sup>36</sup> But that clarification was not forthcoming. As John Donovan described it:

Whether the war on poverty was the creature of presidential consensus politics or professionalized reform, or a combination of the two, no great sense of struggle, conflict, or commitment was communicated to the American public, despite the fact that the program was designed largely in response to the Negro equal rights crisis.<sup>37</sup>

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33. Wofford, *supra* note 9, at 80.

34. *Id.*

35. *Id.*

36. *Id.* at 81.

37. DONOVAN, *supra* note 3, at 115.

Major administrative and political problems resulted from the lack of "straight talk" because it left the *purpose* of the new agency unclear. OEO could have clearly stated its purpose in both political and moral terms if the war on poverty had been better understood as a federal response to the just demands of the civil rights movement for effectively including minorities and the poor in the political process. It should be remembered that in 1910 over eighty-seven percent of all black Americans lived in what had been the eleven states of the Old Confederacy and that "the 1960 census revealed that the figure had been reduced to fifty-six percent," and was still declining.<sup>38</sup> This migration of African Americans from the rural South to the industrial cities of the North, the largest internal migration in American history, exacerbated problems of segregation and poverty in cities which were just beginning to feel the effects of restrictions in the opportunity structure for unskilled workers due to the increased mechanization of industry. The purpose of OEO could have been defined both in terms of social and participatory justice (to win support from civil rights leaders and liberals) and as a long term social and educative policy for gradually bringing the excluded into the system in a controlled manner, thus preventing the development of a self-perpetuating underclass of unskilled and alienated people. This could have pressured the status quo to accept sharing responsibilities with previously powerless groups, particularly had Johnson used the Presidency as a bully pulpit to educate the public about the long-term pragmatism of the policy, while appealing to the people's sense of justice. Unfortunately, this did not happen.

This lack of clarity regarding the purpose of OEO led to other administrative mistakes, including the initial decision to make funds available to every county, city and small town in the country, rather than restrict eligibility, for the purposes of funding pilot programs. But OEO knew they needed to maintain Congressional support; hence every Congressional district was eligible to apply for funds. They hoped that this method would also garner broad based public support. However, OEO staff knew that there were very poor counties with so few local resources that they would never be able to develop the programs they needed without outside help. Hence, "technical assistance" grants were made available to states, so that state agencies could provide the assistance needed in the poorest of counties. But the problem which developed from the decision to make the funds available to every county in the country was that it inevitably

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38. *Id.* at 104.

raised expectations which could only be fulfilled if Congress continued to appropriate more and more funds each year. This did not happen, perhaps in part because Congressional leaders were not involved in drafting the legislation in the first place, and so had little personal stake in its success; perhaps because the long term implications of the Act were poorly understood or actively feared. In any event, funds increasingly were earmarked for specific kinds of programs, like Head Start, reducing the ability of OEO staff to provide substantial funding to other deserving and more innovative programs, ones which could have politically empowered indigenous neighborhood groups. At the same time, appropriations decreased, due in part to the election in 1966 of a more conservative Congress and the continuing escalation of the war in Vietnam, making it more and more difficult even to maintain funding for successful domestic programs.

The granting of funds in itself was inherently political. Inevitably many communities had to contact OEO to see if the plan they were developing would be funded or what needed to be changed or added to make it eligible for funding, particularly regarding the "maximum feasible participation" requirement. Because of the time required to have staff experts in Washington review only that section of a proposal relating to their own area of expertise, making sure that any problems with that section of the proposal had been worked out to his or her satisfaction before passing it on to another expert's desk, and so on, OEO decided to take a different approach. The power of "essential review" of all proposals was put in the hands of "field representatives," who set up regional offices from which they could go out into the field to help mediate conflicts in communities and help them put together grant requests. OEO in Washington relied on the judgement of the field representative: if he urged OEO to fund a particular community action program, Washington would generally accept the judgement and expedite the flow of funds, avoiding the delays required of having a series of experts review the proposals. But again, if local politicians felt the field representative was overly sympathetic to the concerns and desires of neighborhood organizations, many went over his head and contacted the Washington office directly. It was often felt that the field representative was acting arbitrarily, if for example, he refused to support a program that had only ten or twenty percent minority or poor representation on the local governing body of the CAP. It is true that the field representative, who was a highly skilled professional, had no choice but to make prudential judgements based on what he understood as the intention of the Act. The disagreements between local officials and field representa-



tives eventually led to experts being called in to review proposals, and resulted in the very problem OEO had at first tried to avoid.

As I have already mentioned, the priorities written into the legislation were very general in order to encourage local initiative and the local setting of priorities. But this lack of focus, however well intentioned, backfired. It was part of the reason for the intensity of conflict which resulted. Different groups within communities each wanted to emphasize different priorities - community groups wanted to promote social organization of the poor; social service agencies wanted to expand their services; and local governments wanted to control the flow of funds to maintain their traditional power. In some communities, such as New York City, Chicago and Detroit, with strong political machines and large numbers of minorities and poor, it was nearly impossible to reach consensus across such a wide spectrum of interests. This dissension was furthered by the lack of direction in the legislative guidelines. The result, as Wofford described it:

The objective of maintaining administrative flexibility in establishing priorities so that the local communities can do it for themselves . . . resulted for the most part, in the absence of any priorities at all. And community action without community priorities is almost a contradiction in terms.<sup>39</sup>

I believe the priorities were left wide open to pacify the fears of those who resented and feared federal control of local affairs. On the more positive side, they were set so broadly to induce counties and cities to coordinate the current social services in their jurisdictions and to reward them with grants for creating others to fill perceived gaps in services. An unemployed person who goes to an unemployment office, for example, may be on the verge of eviction. The caseworker at the unemployment office needs to know where the man can go to possibly receive help with the rent and then refer him there. The same goes for a single mother: she may need help with food, childcare, job training, protection from an abuser, etc. At the time of the war on poverty, local agencies, public and private, provided their own particular social service in isolation from each other and little or no help was available for the person seeking it in trying to find his or her way through the bureaucratic anarchy of private charities and government agencies. This lack of coordination was frustrating for the person needing help, and self-defeating as public policy. The coordination of services which the CAP

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39. Wofford, *supra* note 9, at 97.

strongly urged was a good *administrative* idea. But it could have been achieved without participation of the poor, making it a means of coordinating traditional New Deal style social programs. This would surely have been an improvement, but it would have avoided the more fundamental issue of the political powerlessness and alienation of the poor. The requirement of "maximum feasible participation" and the ability of OEO to fund independent organizations *did* address that problem. The mistake of combining these two quite different policies in the same legislation derived, perhaps, from the planners assumption that communities, while including the poor in the process, could arrive at consensus. But the times would not allow it. As John Wofford wrote, "Community action . . . was attempting to reach community consensus at a time when race, politics, and poverty were pulling communities and the nation apart."<sup>40</sup>

However, today we have the benefit of exhaustive studies of unitary or consensual decision making processes, conceptual and empirical tools which the theorists and administrators of the CAP lacked. Jane Mansbridge, who has studied consensual decision making as thoroughly as one can, has come to the conclusion that in modern nation-states, owing to the size and diversity of their populations, even when consensus is the goal, a combination of consensual and adversarial decision rules must be employed. And in an adversarial democracy such as the U.S. the closest one can come to the "equal protection of interests" (a fundamental normative value in democratic theory) is through pursuing a policy of "proportionate outcomes" or "proportional distribution of benefits."<sup>41</sup> A greater understanding of the complexities involved in consensual decision making on the part of OEO theorists and staff would have clarified the need, in a pluralist democracy, to use adversarial methods, such as proportionate outcomes, for the purpose, not of fostering conflict per se, but as a means of applying pressure on recalcitrant groups. In the case of the conflict in Mississippi referred to earlier, since consensus appeared impossible, perhaps the most just outcome would have been to divide up funds proportionately between CDGM and MAP, while simultaneously pressuring them both to work together whenever possible. This approach would have accepted short term conflict as an inevitable part of an ultimately healthy long term process.

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40. *Id.* at 100.

41. JANE J. MANSBRIDGE, *BEYOND ADVERSARY DEMOCRACY* 266-68 (2d ed. 1983).

The direct funding of independent agencies, bypassing local government, was a good idea in that respect. It encouraged innovation and program development, while decentralizing power in the city, thus giving areas previously ignored real leverage with local institutions and elites. Saul Alinsky, the community organizer, was an outspoken critic of the war on poverty, but he believed the poor could be empowered in a meaningful way through direct, federal funding of independent organizations.

This would require that local authorities or local City Halls be by-passed. That specially trained federal representatives who are in sympathy with the spirit of independence, have a faith in the democratic credo, in opposition to the welfare colonialism of the social welfare industry or that of City Halls, be sent into local communities . . . When they enter a community of the poor which is organized by a militant independent organization such as T.W.O. in Woodlawn, that they recognize and respect them and work out programs with and through this kind of an organization. That when these federal agents come in to a community which is not organized that they will then begin to search out for those leaders of vital interest, those leaders defined by substantial parts of the community as leaders and spokesmen.<sup>42</sup>

I agree with Alinsky that the direct funding of organizations which could independently provide important services currently lacking in the area was an excellent idea, even if the political realities of the locality require that it be federal representatives who acknowledge, respect and partially fund the organization. This policy recognizes and encourages belief in the worth and dignity of all persons by seeking to bring people previously excluded into the political process. Coordinating social services without the participation of the poor merely created a more efficient form of "welfare colonialism," in Alinsky's derisive phrase: in which government and private agencies do *for* the poor, rather than work *with* the poor. To redistribute power to the poor can not help but generate short term conflict and so is in direct opposition to the idea of working to achieve community wide consensus. Both approaches had strengths, but placed in the same piece of legislation it created ambiguity regarding legislative intent, making it difficult to clearly explain the meaning and purpose of a war on poverty when the inevitable conflicts arose.

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42. Saul M. Alinsky, *The War on Poverty - Political Pornography*, 21 J. Soc. ISSUES 39, 46-47 (1965).

I disagree with those, like Daniel Patrick Moynihan, who blame the war on poverty with the urban violence of the mid-sixties, because it ignores too many other concurrent developments and provides us with no guidance for the future. It would be more accurate to say, as John Donovan did in the early 1970s, that the war on poverty was never really fought:

... [I]t is obvious that the antipoverty program of the 1960s did not constitute a real "war" against poverty. The major battles in such a war were never fought. Throughout its history, the antipoverty program has been limited in every important respect: narrow in scope, conceptually ambiguous, inadequately funded, and lacking in sustained support in the White House, in the Congress, and among the general public.<sup>43</sup>

For a policy initiative of such scope, moral and political leadership was essential, but leaders failed to respond to the opportunity due to their preoccupation with the war in Vietnam and the business-as-usual, pork barrel politics of the entrenched status quo.

## V. LESSONS LEARNED

One of the major problems in the war on poverty can be found in the basic ambiguity in Title II of the Economic Opportunity Act: was the intent of the legislation to improve, through coordination, the delivery of social services *for* the poor; or was it to mandate the involvement *of* the poor in the funding, hence the political, process? Which had greater priority? Pushing for the coordination of social services at the local level represents an attempt at administrative reform which, while certainly of benefit to the poor, does not address the more fundamental issues of economic and political powerlessness of the poor. Only through building administrative structures which *mandate* the inclusion in the political process of those traditionally excluded can real, long term change take place. The direct, Federal funding of independent, neighborhood organizations represents the attempt to do just that. However, in the political battle resulting from the conflict between these two approaches, the administrative reform of coordinating social services, for political and budgetary reasons, won out; actual Federal funding for the purposes of expanding democratic participation at the local level was discontinued. But the idea survived, as Alan A. Altshuler, writing in 1970, after examining the "black demand for political participa-

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43. DONOVAN, *supra* note 3, at 168.

tion in the larger cities," concluded: "The whole current movement for neighborhood control was largely set in motion by the 'maximum feasible participation' provision of the Economic Opportunity Act of 1964."<sup>44</sup>

More recently, Jeffrey M. Berry, Kent E. Portney and Ken Thomson have demonstrated the positive political effects in municipalities - such as in Birmingham, Alabama and St. Paul, Minnesota - which have given limited but real decision making powers to neighborhood organizations. They have found that even those decisions are accepted, if made by the neighborhood organization, with which people in the area affected have disagreed because of the perceived legitimacy of the decision making process itself.<sup>45</sup> Expanding effective democratic participation actually *strengthens* the political system in the long term, even if conflicts are generated in the short term.

But real support for this effort must come from the Federal Government, for reasons explained by Jane Mansbridge:

... large units [of government] do seem to be more redistributive than small ones. The federal government, for example, spends more per capita on programs directed specifically at the poor than state governments do, and state governments spend more than local governments. . . . The evidence, then, points in two directions. The trapplings of power appear to be more equally distributed between rich and poor in smaller units, suggesting that the interests of the poor should be more equally protected. But direct analysis of outcomes suggests that the interests of the poor are better protected in larger units.<sup>46</sup>

Without using the term, Mansbridge is describing the concept of subsidiarity, an example of which is admirably demonstrated in OEO's funding of independent neighborhood organizations. This effort was an attempt to increase the organization's ability to participate in the political process rather than reduce the people of the area to a greater degree of dependence on a local welfare system perceived as indifferent to their real needs. I would grant that, in the short term, it is more politically feasible to continue funding existing social service institutions which have reason to support the status quo, rather than seek to draw into the political process the unskilled and alienated members of a poverty stricken underclass and to cultivate the indigenous leaders among them. Inevitably, this promises conflict. But it can also

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44. *Id.* at 174.

45. JEFFREY BERRY ET AL., *THE REBIRTH OF URBAN DEMOCRACY* 213 (1993).

46. MANSBRIDGE, *supra* note 41, at 280-281.

increase the stability of our political system in the long term through a concerted effort to actually realize our democratic ideals at home because the educative aspect of democratic participation is ultimately a stabilizing force. To carry out a domestic policy of this scope, the moral and political leadership of the President and Congress is essential: I think I have demonstrated what can happen when that leadership is lacking. Legislative intent must be clear and conflict must be planned for. Consensus and the common good is the sought after goal; the clash of interests is the present reality. We can, as a nation, learn from past mistakes.

## VI. EXPANDING DEMOCRACY IN THE 1990s

How can the lessons learned from the attempt made by the war on poverty to expand democratic participation in American cities be applied thirty years later? To begin with, it must be pointed out that thirty years after President Johnson announced a war on poverty, the problems of our cities have worsened, due in part to profound structural changes in the American economy and massive disinvestment from the cities and investment in the surrounding suburbs. In areas of concentrated poverty, the mediating institutions which provide the emotional and spiritual infrastructure of life in a democracy—the family, churches, schools, small businesses, voluntary organizations, political parties—have decayed concurrently with the real estate, leaving a spiritual landscape as ominous as the physical one. In this environment, which William Julius Wilson describes as “social isolation,”<sup>47</sup> institutions of traditional, democratic life become irrelevant to the citizens of the “underclass” and are replaced by the more socio-pathological institutions of gangs and the underground economy. The poverty, the drugs, the violence and the despair which permeate these devastated communities represent a challenge of monumental proportions to policy makers, and all Americans who believe in the democratic ideals which form the basis of our society.

I suggest that we need to think about the problem differently than policy makers did in the sixties, incorporating the ideas of subsidiarity and participatory justice. The language of maximum feasible participation in the Economic Opportunity Act, which was drawn from the New Left’s idea of participatory democracy, focused, in the classical liberal tradition, on the participation of individuals as distinct from the community in which

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47. WILLIAM J. WILSON, *THE TRULY DISADVANTAGED: THE INNER CITY, THE UNDERCLASS, AND PUBLIC POLICY* 61 (1987).

they lived. The language of "participatory justice," in contrast, is built on the premise that "Human life is life in community."<sup>48</sup> Starting from the belief that an individual finds fulfillment through participating in his or her community, the primary goal of public policy regarding the poor should be "to enable them to become active participants in the life of society."<sup>49</sup> In other words, developing the community in ways which enhance the opportunity structure for individuals transfers power to both the individual and the community. Basing public policy at all levels of government on the interlocking ideas of subsidiarity and participatory justice, policy makers need to focus on, not a numerical level of participation in any given community, but on measures which seek to strengthen social and economic institutions in the community itself, thereby expanding the structure of opportunity for the individuals in the area.

Community development corporations (CDC), as described by Mitchell Sviridoff, founding president of the Local Initiatives Support Corporation (LISC), seem to be the best existing indigenous response to the problems of the modern city.

The CDC is a non-profit, community-based organization governed by a board consisting primarily of neighborhood residents and business leadership, generally found in distressed neighborhoods, and dedicated to the revitalization of a discrete geographical area usually defined by traditional neighborhood boundaries.<sup>50</sup>

There are hundreds of CDCs around the country, of varying sizes, each working to strengthen its community, to address the needs of fellow residents and to reestablish contact with the broader social, political and economic system. As Sviridoff writes, "This is where the education and development of community leadership and institutional capacity begins. And this, too, is where begins the offensive against disorganization and chaos."<sup>51</sup> In fact, community-based, nonprofit organizations, have been spearheading a drive to establish beachheads of hope against overwhelming odds. Not all are successful; many fail within a few years of incorporation. However, over the past few decades "community-based organizations have built nearly 125,000 units of housing, most of it for low-income families; developed 16.4

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48. ECONOMIC JUSTICE FOR ALL: PASTORAL LETTER ON CATHOLIC SOCIAL TEACHING AND THE U.S. ECONOMY 33 (1986)

49. *Id.* at 46.

50. Mitchell Sviridoff, *The Seeds of Urban Revival*, 114 THE PUBLIC INTEREST 90, 92 (1994).

51. *Id.* at 98.

million square feet of retail space, offices, industrial parks, and other industrial developments in economically distressed communities where for-profit developers would not venture; and accounted for the creation and retention of nearly 90,000 jobs.”<sup>52</sup> This uniquely American blend of public and private, self-help and local initiative with government support, combines grass-roots organizing with entrepreneurial skills to create a promising structure for the channeling of funds without fostering dependency or enlarging bureaucracy. It transcends the traditional liberal/conservative ideological antagonism, which represents a refreshing development in itself. While tracing their roots back to the community organizations of the sixties, CDCs, over the past twenty years, have become increasingly sophisticated in their ability to coordinate and patch together complex financing from public and private sources for refurbishing, constructing and managing low-cost housing, often with child care services provided; bringing businesses into the area and creating jobs; providing needed social services and job training to unemployed residents; helping inner city entrepreneurs with low-interest loans, start-up capital and “incubator” space; and establishing a focal point for neighborhood organization.<sup>53</sup> This entrepreneurial approach, though a far cry from sixties-style community action, still includes, for many CDCs, a strong political and advocacy element. As Peter Dreier writes, “While historically skeptical of mainstream politics, these groups became [during the 1980s] increasingly engaged in electoral politics, helping to elect their own, and other, activists.”<sup>54</sup> By drawing together financing from multiple sources — Federal agencies, foundations, businesses, commercial banks, community foundations, city governments, State governments — CDCs not only make economic and social development possible in their area, they also act as the link which reconnects a socially isolated part of a city with the broader municipal community.

The relations between community organizations and city hall have also changed with the times. In 1986, then-Mayor of Denver Federico Pena (now Secretary of Transportation) said in an interview with Neil Peirce and Carol Steinbach:

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52. Michael A. Stegman, *National Urban Policy Revisited*, 71 N.C. L. REV. 1737, 1775 (1993).

53. See NEIL R. PIERCE & CAROL F. STEINBACH, *CORRECTIVE CAPITALISM: THE RISE OF AMERICA'S COMMUNITY DEVELOPMENT CORPORATIONS* (1987); see also DAVID OSBORNE, *LABORATORIES OF DEMOCRACY* (1990).

54. Peter Drier, *America's Urban Crisis: Symptoms, Causes, Solutions*, 71 N.C. L. REV. 1351, 1399 (1993).



"The atmosphere has changed across the United States. . . . City governments are opening their doors. If you're a community activist and do your nuts-and-bolts work, you'll get a response from the city." With federal aid cutbacks, Pena said, "we'd be foolish not to find alternative funds from city coffers to make CDC projects work. They're a wise investment for the future of the city."<sup>55</sup>

A change, too, can be seen in the fact that whereas a community-based coalition like The Woodlawn Organization (TWO) in Chicago in the early sixties would organize rent strikes to force slumlords to bring housing stock up to code, in the eighties and nineties, it is more likely that a neighborhood CDC itself would be the owner of the housing stock, representing a profound change for the better in the economic and political dynamics of low-cost housing.

Community development corporations, both tax-exempt 501(c)(3) entities and profit making subsidiary spin-offs, could be the centerpiece of a renewed governmental effort to expand democratic and economic participation in our troubled inner cities. Peter Dreier advocates that "[f]ederal programs must provide seed capital, equity, and loans to community-based groups and small for-profit entrepreneurs to support neighborhood-based job creation projects. Senator Edward Kennedy recently proposed a National Community Economic Partnership Act along these lines."<sup>56</sup> Increased Federal monies could be channeled through the Community Development Block Grant (CDBG) offices of city governments with the mandate that the funds be for the support of community organizations or be used to improve city services (community policing, garbage collection, street lighting, etc.) in areas where municipalities are working with CDCs. Cities can help beginning CDCs through transferring to them land which the city repossessed due to nonpayment of taxes. Stegman suggests the use of other preexisting administrative structures in support of community-based organizations.

One example is targeting the \$2 billion a year in public housing modernization funds that the Congress already appropriates to local public housing authorities to train inner city youth in the construction trades. Another example would be to use federal laws such as the Community Reinvestment Act<sup>57</sup> and the Home Mortgage Disclosure

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55. PIERCE & STEINBACH, *supra* note 53, at 60.

56. Drier, *supra* note 54, at 1395.

57. 12 U.S.C. § 2901 (1988).

Act<sup>58</sup> to stimulate a continual flow of financial capital into minority and other distressed communities; and to create a network of local community development banks in inner city areas to support business enterprise, microlending programs, etc.<sup>59</sup>

Federal enforcement of existing laws which require reinvestment and which prohibit racial discrimination in employment would go a long way toward supporting local community-based efforts at revitalization. But public financial support is essential, as Franklin A. Thomas, President of the Ford Foundation, wrote in the Foreword to Peirce and Steinbach's report:

Despite the considerable good that has flowed from the "new localism," in fact no substantial development among the poorest communities and people is achievable without an adequate flow of public resources. Nor is it realistic to believe that the current revenue bases of state and local governments will be sufficient to compensate for the lack of federal funding. Given the amounts and types of subsidies required in most community development projects, there is no substitute for the federal presence.<sup>60</sup>

There are reasons to be cautiously optimistic that the Clinton Administration's urban policy will develop along these lines.<sup>61</sup>

Place specific policies which seek to bring individuals back into the broader political and economic system through nurturing local community institutions and leadership offer the most promise for expanding democratic participation in the nineties. The administrative structures already exist, though in some cities only in embryo. Support of these organizations avoids the problem of creating dependency, while refusing the inhumane consequences of *laissez-faire* capitalism. Community development corporations, as an organizational and administrative concept, offer at least a glimmer of hope that, given the political will, we as a nation can move closer toward being a society where individuals in our inner cities can achieve a greater degree of self-fulfillment because they live in a community in which that self-fulfillment is possible.

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58. 12 U.S.C. § 2801 (1988).

59. Stegman, *supra* note 52, at 1775.

60. PIERCE & STEINBACH, *supra* note 53, at 5.

61. See BILL CLINTON & AL GORE, *PUTTING PEOPLE FIRST: HOW WE CAN ALL CHANGE AMERICA* (1992).

