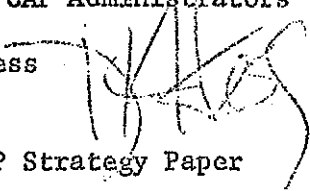


UNITED STATES GOVERNMENT

# Memorandum

TO : Regional Directors and  
Regional CAP Administrators

DATE: JUN 28 1968

FROM : Donald Hess 

SUBJECT: Draft CAP Strategy Paper

The attached draft, CAP Strategy Paper, is being prepared for submission to Mr. Harding on July 8, 1968. We have been in contact with regional offices informally over the last two weeks in preparation of this draft but we would like to have the comments from all regional offices before the submission of the final paper to the Acting Director. We realize that the coming week is a busy one and that you will probably not have time for written comments. We hope that you will at least give your comments by telephone to us here at Headquarters by telephoning Chris Breiseth, Extension 4147, Room B616.

Work is also going on at the present time to develop the implementation sections of the strategy, including the implications for each staff support area at Headquarters and at the regional level. This effort will take considerable time and, pending Mr. Harding's approval, we will need your fullest participation and cooperation.

Finally, you will want to consider this paper in conjunction with the draft instruction of Participation of the Poor since they are part of the overall strategy.

The attached clipping from the Washington Post (June 28, 1968) seems to indicate a view of CAP which is consistent with the thrust of the strategy we are now attempting to articulate.

Attachments



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

## Nine Million Cut in Poor Is Claimed

The number of Americans living in poverty has dropped by nine million over the last four years, Special Presidential Assistant Joseph A. Califano Jr. declared yesterday.

This places the total of America's poor at 26.3 million compared to 35.3 million in 1963.

Among Negroes, the decrease has been at least 2.5 million from the 13.2 million in 1963—compared with an actual increase in the 1959-63 period.

These statistics, included in a speech that Califano gave before a B'Nai B'Rith conference yesterday, are considered to be conservative estimates based on new Labor Department data for 1967.

Califano credited the Nation's consistent economic growth, along with heavy increases in Federal spending

for education, health, job training and antipoverty programs, for the poverty reduction.

This has been coupled, he emphasized, with a "dramatic . . . redistribution of power."

Califano noted that the "most controversial redistribution of power" involves the Community Action Programs which required "maximum feasible participation" of the poor.

This was changed last year when Congress adopted

an amendment that many observers believed would shift contracts of the program away from neighborhood leaders to city halls and state houses.

But Califano said that "so deeply rooted is the desire for participation by the poor" and "so critical are the consequences of altering this arrangement" that 95 per cent of the mayors and governors have decided to leave Community Action Programs in the hands of private non-profit agencies.

DRAFT

Breiseth:bsw:6/26/68

- I. OEO/CAP has gone through a major re-evaluation and refocusing of its objectives in light of
  - A. the EOA Amendments of 1967
  - B. the Kerner Commission Report
  - C. the President's Report on Rural Poverty, The People Left Behind
  - D. the general transformation in the Nation's understanding of poverty, indicated by the development of many new Federal programs and private efforts like the Urban Coalition
  - E. the general sense of urgency, symbolized by the Poor People's Campaign
  - F. the four years of experience with CAP successes and failures being captured through evaluation reports, on-site monitoring reports, MIS Narratives, and other government and private assessments.
  
- II. A sense of national crisis is combined with a new national awareness of poverty as a central challenge to our system of government; as a result, OEO/CAP has the opportunity and responsibility, and perhaps is the only organization in the country that does, to provide leadership in defining the objectives and the methods by which local communities develop and implement their strategies to fight poverty.
  - A. The Kerner Commission in diagnosing the urban ghetto riots of last summer singled out elements of the community action program which are essential to an attack on the causes of poverty:

1. Citizen participation by ghetto residents to counteract their alienation and build their organizational capacity to deal with the community's institutions constructively;
  2. A meeting ground for public officials and the ghetto neighborhood grievances, called by the Kerner Commission a Neighborhood Action Task Force which corresponds directly to an effective CAA with its representatives from Neighborhood boards and councils on the one side and the public officials and private institution representatives on the other.
- B. As part of the Nation's growing awareness of the problems of poverty, other Federal programs have been created which overlap with programs funded by OEO. While this is healthy in the long run it provides some difficult jurisdictional problems in the short run; in the case of the Model Cities Agency, a clear definition by OEO of the role of the community action agency is urgently needed.
- C. These external factors, in conjunction with the internal requirements imposed by CAP's four year development and by the new legislation, must be seen against a back drop of extremely limited OEO/CAP resources.

III. During first four years OEO/CAP has answered broadest possible mandate--to be the war on poverty.. This has made almost impossible a sharply focused use of OEO/CAP's limited resources on discreet and vital problems of poverty.

A. OEO/CAP has sought in various ways to do everything generally understood to be necessary to overcome poverty.

1. Broadest possible geographic coverage.
2. Comprehensive programming, including basic services, with combination of national programs and local initiative effort, in all major areas: manpower, housing, nutrition, education, health, legal services, consumer action, credit unions, etc., to combat the entire network of poverty problems at national level and through local grantees.
3. CAA's urged to be exclusive planner and coordinator of community's antipoverty effort--when such goals were overly sophisticated and beyond immediate reach of local communities, much less of the CAAs which were without the necessary governmental powers and resources to exercise such responsibilities.
4. Community organization of poverty population without generally agreed upon means or goals for such organization.
5. Services emphasis with insufficient effort to build effective services delivery system for both OEO and non-OEO funded services.

6. Because all jobs needed doing--even if techniques relatively undeveloped to do any well--the immediate frustration locally and nationally was over shortage of funds.
  7. Hitting on shortage of funds--although justified--obscured need to focus whatever resources available so as to have maximum multiplier effect.
- B. General unease at this oversized bite has led OEO/CAP to discuss realistic narrowing of focus on alternative missions, among which are the following:
1. Primary emphasis on delivering services to individuals with greatest needs.
  2. Primary emphasis on organizing poor people to force changes in local communities--and at State and Federal level--which would redirect existing resources and utilize any new resources to benefit of poverty neighborhoods.
  3. Primary emphasis on providing community with funds to do dual what the existing /leadership thinks will be most effective in attacking poverty.
  4. Primary emphasis on expanding national OEO/CAP programs, with clear guidelines and tested techniques under national control, in a few vital areas of need: health, education, legal services.

5. Various alternatives for geographic (urban or rural) or target group (small children, young people, parents, Headstart child's family, older persons) concentration.
6. Primary emphasis on planning and coordinating all Federal antipoverty funds, with no program operations except a limited research and pilot program.

C. A careful reading of the EOA amendments of 1967 dictates a mixture of these several alternatives, but with a clear focus as to the objectives being served so that services, organization, local initiative, national OEO/CAP programs, population or geographic concentration, and Federal negotiation/coordination are integrated into a conscious OEO/CAP campaign strategy.

1. The integrating concept is that of a community action process, spelled out in the mission statement below, by which public officials, poor people and representatives of community groups and organizations join forces to plan, coordinate, innovate, and mobilize resources in order to build and sustain an antipoverty program that fits local conditions.
2. OEO/CAP has the responsibility to support this local community action process through the funding of structures (CAAs, single purpose agencies) and programs (Local Initiative, Special Emphasis, Research and Pilot).

3. OEO/CAP gives support to this process through policy direction, guidance, training, technical assistance, management tools, monitoring, evaluation, and Federal and intergovernmental negotiation.
4. The Mission statement below is drawn from the sharpened definition of OEO/CAP found in Title II of the EOA as amended in 1967 and from the cumulative experience of OEO/CAP over four years.
5. During that period a unique role and responsibility have evolved for OEO/CAP in relation to the Nation's poor and to other local, State and Federal agencies involved with the poor.
6. Thus the mission is not a departure from but a synthesis of the strengths of the existing community action programs and of the sharpened direction given OEO/CAP by Congress.

#### IV. Statement of Mission

The basic purposes of Community Action: "to stimulate a better focusing of all available local, State, private, and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages ... to obtain the skills, knowledge and motivation, and secure the opportunities needed for them to become fully self-sufficient." The resources to be better mobilized and focused include not only funds, facilities and equipment from all available public and private resources, but also a wide range of knowledge, talents, energies, and commitment to the elimination of poverty.



As Section 201(a) of the EOA makes clear, the resources must be developed and contributed to the maximum extent possible by the poor themselves, as well as from all other public and private organizations, groups and individuals.

To achieve these ends, Section 201(a) sets forth the following specific purposes of Community Action:

- a. Strengthening of community capacities for planning and coordinating assistance from all services, so that local officials, organizations and individuals can make it more responsive to local needs and conditions;
- b. Better organization of a range of service to make them more effective in helping poor families and individuals overcome the whole complex of interrelated problems which block their escape from poverty;
- c. Greater use of innovative approaches in attacking the causes of poverty;
- d. Development and implementation of all programs to serve the poor and low-income areas with maximum feasible participation of residents of the areas and members of the groups served; and

- e. Broadening the resource base of programs directed at elimination of poverty, drawing upon public agencies, religious, charitable and neighborhood organizations, and private citizens, and securing more active participation by business, labor, and professional groups.

Community Action is thus aimed at stimulating and assisting a variety of changes which are necessary for better focusing of public and private resources on the elimination of poverty. In order to fulfill the basic purposes of Community Action, such changes must increase (1) public and private understanding of the causes and problems of poverty, and the actions which are required to overcome them; (2) commitment to undertake and support the necessary actions; and (3) capacity to carry them out effectively.

Changes are sought in the activities of Federal, State and local Governments and private organizations and groups. The kinds of changes needed involve a range of organizational structures, processes, and programs which affect the lives of poor people. Since these changes can only occur through specific and sometimes difficult decisions taken by organizations, groups, and individuals. Community Action involves an inherent responsibility for advocacy which makes clear the nature of and reasons for changes which are needed.

Such advocacy, increasingly informed by analysis and experience, is the continuing responsibility of OEO/CAP as well as of each grantee with an important role in advancing the basic purposes of Community Action.

The goal of advocacy at the local level is to give poor people an effective voice in the decisions which affect them. To strengthen that voice and increase the participation of poor people in the community action process, OEO/CAP encourages the decentralization and delegation to organizations controlled by poor people of program planning, decision-making, and operation to the maximum extent feasible. At the Federal level, the goal of advocacy is to encourage other agencies and national organizations to make their programs responsive to the needs and wishes of the poor and to help make the non-poor in America aware of the role they must play if the problems of poverty are to be attacked effectively.

The changes sought through Community Action involve, but cannot be limited to, certain specific structures, processes and programs which bear directly on the lives of poor people. Community Action must also help to create a more favorable climate for these changes by inspiring a background of change in community understanding, attitudes and processes.

V. The mission goals can be summarized as change in local institutions which deal with poverty problems and the strengthened capacity of poor people to be advocates in their own behalf and in making the local service system responsive.

A. Role of the CAA

1. To make local, State and Federal institutions more responsive to poverty problems, all segments of community must be involved: poor and non-poor, public and private officials and organizations.
2. CAA, with its delegate agencies, should be strengthened as a major community instrument for bringing these elements together to address problems jointly, and fulfills its role by being
  - a. overall planner and supervisor of anti-poverty efforts of the local community action program, and vehicle for poor people to impact the planning of the local community.
  - b. supervisor of its delegate agencies, such as neighborhood centers, including financial management and other management assistance, monitoring of all CAA programs and other OEO-delegated programs (where authorized in Federal delegation agreements).
  - c. ombudsman between neighborhood and local government (both represented on CAA board).
  - d. operator of programs where it chooses not to delegate.
  - e. mobilizer of non-OEO resources to strengthen local attack on poverty.

3. The CAA should build a core services system (outreach, intake, diagnosis, referral, follow through) at the neighborhood (urban) or community (rural) level around which a neighborhood or community organizational capacity for poor people is developed and/or strengthened.
4. A general delegation/decentralization model is a neighborhood center, (a) delegated by a CAA, (b) operated by a staff responsible to a neighborhood council or board selected democratically, (c) which operates a core services system, (d) coordinating in that neighborhood or community the services programs (employment, welfare, etc.) of the local government and other Federal agencies (including OEO). The center may or may not actually operate major programs, but in any case will coordinate and distribute services; will have resources for services which temporarily fill gaps in response to decisions of the staff and neighborhood council or board; will have a new careers program for its employees the vast majority of whom should be from target population.
5. Such neighborhood center boards or councils will have resources to hire professional assistance to strengthen their advocacy role (a) in the planning and conduct of the CAA, and (2) in the planning and conduct of other Federal and local programs affecting their neighborhood or community and (c) in making such agencies and institutions responsive to the needs and desires of the poverty residents.

6. Another model of the delegation/decentralization strategy, particularly appropriate for rural areas, is the funding of cooperatives, controlled by poor people, with a consumer protection, economic development, or credit building focus.

B. Role of OEO/CAP

1. OEO/CAP must play, and must help CAA and its delegate agencies to play, an advocacy role in regard to other Federal agencies and local programs which impact poverty areas.
  - a. This advocacy will involve monitoring of delegated programs, building and strengthening citizen participation requirements of other programs, gaining role for CAA in joint or prime sponsorship of these programs, analysis and comment on relevant pending legislation, active negotiation at Federal, State and local level to make these programs responsive to poverty problems.
2. OEO/CAP must strengthen its Training and Technical Assistance efforts to make the staff and groups within CAA capable of developing and carrying out an advocacy/change strategy.
3. OEO/CAP must capture successful national program experiences and communicate them effectively to local CAAs and relevant public and private agencies at all levels through guidance materials, newsletters and use of other media. The attitudes of non-poor towards poverty are as necessary to affect as are the self-help capacities of poor people.

4. OEO/CAP must develop management improvement tools for CAAs and help the latter to use them, recognizing that a minimum level of management efficiency is necessary for any successful community action program.

VI. In carrying out the mission, the following assumptions must be made.

A. Each community is unique, and OEO/CAP can have no program formula that fits all communities. It is convenient to think in terms of three general stages at which communities are in relation to mission goals.

1. Stage 1. Community has done little to address problems of poverty or to involve poor people in the local democratic process. The first efforts, perhaps through a community action program like Headstart, are marked by a service orientation on the part of non-poor who are likely to control program. As poor become involved, their expressed program interests are likely to be modest and non-controversial: recreation, homemaker services, Headstart.
2. Stage 2. Community experiences a more active interest in poverty areas and the leadership, public and private, takes seriously the expressed desires of the poor and engages in active dialogue with the target population, although is unlikely to delegate major responsibility to the poor. As problems of poverty become visible and community begins to address them, there is likely to be anxiety over challenges to the status quo, perhaps aggravated by adverse publicity.

3. Stage 3. Community leadership includes poor people and is seriously committed to a mobilization and use of resources-- local, State and Federal, public and private--to attack problems of poverty. Major responsibility for decision making about what is done in poverty neighborhoods is shared with poor people. General tone of paternalism on part of traditional establishment leadership has disappeared. Non-poor private interests also share responsibility for what all recognize as the community's problem. Few communities have reached this stage, but two that are coming close are Newark and Columbus, Ohio.
- B. The Community Action Program has a key role to play in the process by which a community becomes alert to and addresses its poverty problems.
    1. Federal resources and program techniques developed in other communities are joined to the resources and institutions of a local community to encourage process.
    2. Federal guidance, regulations and financial incentives provide both the carrot and the stick to community leaders to deal with their own poverty problems.
  - C. OEO/CAP in promoting this process cannot adopt rigid standards against which all communities are judged equally.
    1. It is necessary for OEO/CAP to recognize at what stage a community is in relation to the problems of poverty and to use OEO/CAP resources to encourage movement towards the mission goals.



2. In evaluating community action programs, regard must be paid to the community's context--social, political, racial, economic--and to the sincerity of the local community action program in attempting to (a) strengthen community planning capacities, (b) better organize an expanding services system, (c) innovate and fill gaps in service system, (d) involve poor people in the program, and (e) broaden resources base for antipoverty efforts.

3. The radical step of defunding a community action program should be in response to a repeated and clear unwillingness to build this process. OEO/CAP should be prepared to defund on this basis.

4. Most critically, OEO/CAP must focus its support functions to give maximum feasible encouragement to this process and to reaching the mission goals.

VII. The following decisions taken by the Acting Director of OEO would begin the implementation of the decentralization/delegation strategy.

- A. Issue a statement declaring that decentralization from the CAA of program planning, decision-making, and operation (where feasible) to residents of poverty areas and neighborhoods is the policy of OEO and will be strongly encouraged in FY 1969.
  - 1. For urban areas, the policy emphasizes delegation of program planning, decision-making and operation (where feasible) to neighborhood-based organizations, such as
    - a. Neighborhood centers, with core services system operated by poor people, under the direction of a staff hired by and responsible to a neighborhood board or council controlled by representatives of the poor, which coordinates in that neighborhood or community, the services programs (employment, welfare, etc.) of the local government and other federal agencies (including OEO).
    - b. Other neighborhood organizations, controlled by neighborhood boards or councils with a majority of representatives of the poor, which may be economic development projects, housing corporations, consumer cooperatives, credit unions, etc.

2. For rural areas, the policy emphasizes the delegation of program planning, decision-making and operation (where feasible) to community centers (similar to the neighborhood centers described above in A.1.a.) but particularly to cooperatives controlled and operated by poor people. Such cooperatives may involve
  - a. consumer protection, buying clubs, etc.
  - b. economic development projects
  - c. credit unions, family loan programs, etc.
3. In both rural and urban areas, the delegate organizations should have unearmarked resources to
  - a. hire professional advice and assistance (lawyers, planners, architects, etc.) so that poor people can be effective advocates in their own behalf and can impact on planning and conduct of CAA programs and of other local and federal programs affecting their community or neighborhood.
  - b. temporarily provide services or programs responsive to clearly expressed needs and desires of target residents but with the object of funding non-OEO funding once such services or programs demonstrate their effectiveness.
  - c. build and provide marginal operating/staff costs for such organizations as parent-school groups, tenants' associations, civic and recreation groups.

B. To give effect to this policy

1. Require CAAs in their planning and grant application process to spell out their decentralization/delegation strategy, including methods of increasing the capacity of poverty neighborhoods and communities to be their own advocates through the reallocation of present grant authorization.
  - a. Indicate OEO/CAP's expectation that an increasing share of a CAA's versatile funds will be for the use of neighborhood or community groups made up of a majority of poor people as a means of (1) giving them responsibility over resources, (2) enabling them to purchase training and technical assistance, (3) making it possible to hire advocates committed to their interests, (4) encouraging them to plan and operate programs responsive to their needs and wants.
2. Commit \$15,000<sup>000</sup> for FY 1969 to give particularly strong support to this policy in approximately 100 communities, preparatory to a major increase in the general Neighborhood Services System, Decentralization/Delegation emphasis (the National Emphasis Program of OEO/CAP) in FY 1970 to \$200,000,000.
  - a. Those 100 communities presenting in their grant application the clearest evidence of capacity for effectively using additional resources to give effect to this Decentralization/Delegation emphasis shall be awarded money from this special fund.

- b. The communities will be selected by the regional offices (among whom the \$15,000,000 will be apportioned) with due regard to urban-rural distribution.
- c. In urban areas, the preference will be given to Model Cities and selection of the cities, and approval of their plans, will be a joint headquarters-regional office responsibility.
- d. The \$15,000,000 fund shall be drawn from
  - (1) Section 232, Research and Pilot programs
  - (2) Section 230, Training and Technical Assistance Programs

- (3) Earmarking under Section 221 of a major fraction of NOA reserves freed up by FY 1969 excess carryovers (the size of which will become clearer as special plans from 100 selected CAAs are ready for grant action).
- d. Careful monitoring and evaluation of, and substantial publicity for, these 100 communities should give maximum emphasis to this Delegation/Decentralization Strategy among all grantees.
- e. Authorize preparations with BOB for major FY 1970 expansion of Delegation/Decentralization Strategy and make plans within OEO to shift some present Section 222 programs to funding under Section 221 to free up more versatile funds for local communities in FY 1970.

3. Gain support and recognition from BOB and the White House for the OEO Decentralization/Delegation Strategy, and for OEO's lead responsibility in providing training, technical assistance, and guidance and in monitoring and evaluating the participation of the poor in all Federal programs which include resident participation requirements.
4. Assure in/forthcoming negotiations with HUD over the relations between/CAA and the CDA of Model Cities that
  - a. Effective coordination between the programs be achieved through the CAA Board, on which the mayor sits and to which he may appoint the CDA Director.
  - b. OEO's lead responsibility at the Federal level for participation of the poor in federally funded programs with citizen participation requirements enables OEO to support with training and technical assistance the participation of poor people within the Model Neighborhood area.
  - c. OEO, working with HUD, will encourage with financial assistance formation of /a coalition of neighborhood organizations and groups representative of poor people in the Model Cities area so that they might more effectively negotiate with each other, with the CAA and CDA, and with the local government over the planning and programming for the neighborhood. This position recognizes that no single Federal citizen participation formula for federally-funded programs is

possible or desirable in all communities--and that among the growing number of neighborhood organizations to chose one among many as the official organization representative of all poor residents is untenable and that something like a coalition or corporation of all organizations is preferable.

5. Approve the OEO/CAP Mission statement included in part IV, above, and require all Title II program offices to establish standards in keeping with the mission, and against which programs will be evaluated.