

The Making-Up of the President. . . and his Vice President

“Oh, Sarge? He’s a good soldier”

— Senator Edward Kennedy

SARGENT SHRIVER AND GEORGE MCGOVERN make an odd couple indeed, and it is difficult to imagine a serious partnership between them. As Director of the Office of Economic Opportunity, the Democratic vice-presidential candidate was architect and administrator of the very domestic policies McGovern is pledged to change. It was the most disastrous phase of Shriver’s spotty career in government. McGovern, and all of us, might do well to recall that unhappy period.

When Congress wrote the original poverty law, it included in the legislation language which called for the maximum feasible participation of the poor themselves in the federal program. This concept, that poor people were entitled to influence their own destiny, was translated into programs through the community action section of the OEC. The federal government gave grants directly to poor groups, most of them in large cities.

The community action section was considered, at the time, a fairly strong step for a conservative Democratic Congress, since it struck directly at the Democratic machines in cities such as Chicago. These machines owed their livelihood to patronage, especially welfare patronage. They

had converted the New Deal welfare programs into a system of colonial rule. The OEC was meant to change this situation—in effect reforming, or if necessary superseding, the welfare system—by offering the poor, disenfranchised citizens the money and technical tools to fend for themselves against the machines. In that sense, it held out real possibilities for an opening towards radical reconstruction.

But Shriver made sure there was no radical reconstruction. He did so almost immediately after the program got started, ruining it by making a deal with Mayor Daley of Chicago, the city where Shriver had once run the Merchandise Mart. Mayor Daley’s welfare apparatus was directed towards keeping the blacks, who accounted for one quarter of the city’s population, penned up in two enormous ghettos. Daley kept the blacks in hand through his welfare program and by means of his tough police.

The idea of the poverty program was to reach past the existing system, directly touching the poor, binding them together through community action so that they could pull themselves out of the hole. Soon after he took over the OEC, Shriver began issuing Rotarian slush on this subject. Consider a typical statement:

by Jim Ridgeway

Our general counsel would tell you that the war on poverty—or at least the community action phase of it—is a program where an entire city, or neighborhood, or county, or state enters into a binding agreement to pull itself up by its bootstraps. In effect, it means that communities are applying to us for a new type of corporate charter. They are incorporating themselves as a new enterprise—a new business—the business of creating opportunity for the very poor. This job can't be done piecemeal. This new enterprise—the community action program—will have to design and tool up for a new model: Opportunity—1965 style.

With \$12.7 million in federal funds, Chicago's poverty program was the largest in the nation, and a "model" for others to imitate. However the money was never spent directly in the poor communities, but instead funneled through a political committee appointed by Daley. Instead of helping the poor to organize themselves in opposition to the Mayor's policies of segregation, low wages, bad housing, and so forth, it was spent to reinforce the existing welfare operation. The whole program made a mockery of the poverty act's intentions. For example, community action programs were supposed to help poor people find decent housing. But in Chicago the Mayor's "community action" workers sent the poor along to the offices of the Chicago Housing Authority, whose chairman, Charles Swibel, was also president of Marks & Co., the leading slum landlord. Under the poverty program, jobs were meant to be available to youngsters without regard to criminal records, but in Chicago the police checked job applicants and made sure those with records were excluded.

Despite repeated criticisms of the Chicago program, and keel haulings before Congressional committees, Shriver stuck with Daley. Thus Chicago became the early, unfortunate turning point for the poverty program. Gradually, community action programs were whittled down and abolished. Shriver never fought for them.

IF SHRIVER WOULD NOT DEFEND THE community action concepts, he took unusual steps to lure private business into the poverty program. During the early stages of drafting the act, there was considerable argument within the Johnson Administration for turning the entire program over to industry, regarded as the most expeditious agent of progressive social change. This view was argued vigorously by the "whiz kids" around Robert McNamara, then Secretary of Defense. Towards the end of the Kennedy Administration and throughout the Johnson Administration, the Defense Department gained increasing importance in determining domestic policies. McNamara argued that large corporations could be turned away from defense and their energies most usefully funneled into domestic programs, if only the government would provide them with markets in such fields as air and water pollution control, mass transit, education, and poverty. In poverty this meant turning over the Job Corps to corporations such as Xerox and Litton, and issuing major research and development contracts to corporations.

As the poverty program fiasco kept growing, Shriver tried to cover his tracks by letting out a flood of contracts to cor-

porations, universities, and think tanks for research, development, and evaluation of existing programs. He used these studies to fend off Congressional investigations, and in the process, he deepened the agency's ties to, and dependence on, business. In addition, this contract mechanism created a virtual industry of university professors, former OEO employees, and behavioral scientists of every ilk.

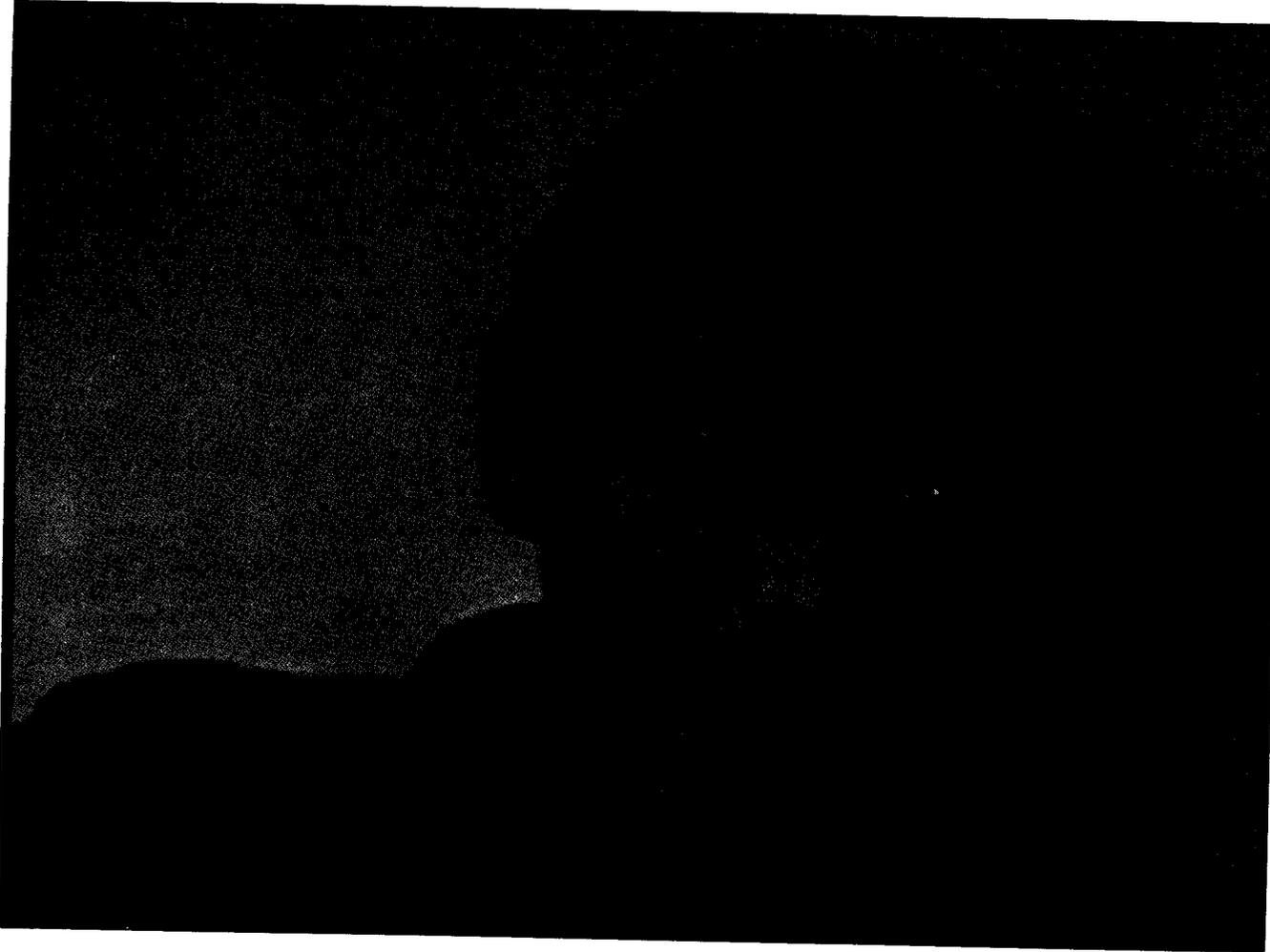
By 1969 there were more than 100 poverty companies in Washington alone. The projects were fanciful: Researchers were dispatched to ask unemployed people why they thought they were unemployed; a company made a computer model of a community action program; counterinsurgency experts were employed to study Indian reservations. An entire industry of white, upper-middle-class professionals who made their livelihood studying the poor was born.

It soon disintegrated into graft. When a federal official quits government, he's not supposed to do business with his former department. But federal employees in the poverty area never paid much attention to that stipulation. For instance, a Labor Department official who let a \$3.5 million contract to Phoenix quit his government job and started a research company. Shortly thereafter his research company was employed by Phoenix to evaluate the program he had helped to draw up. Rand officials left Rand to work in OEO, and funneled back contracts to Rand. Companies proliferated on top of companies, and by then the maze was of such complexity that it could never be straightened out.

The new poverty industry—a combination of university professors, business executives, and government officials—began and flourished under Shriver. At one time, more money was spent by OEO in employing white, upper-middle-class people to study poverty than went to the entire Job Corps. Perhaps unintentionally, Shriver became both a major practitioner and symbol of the corporate social state, enlisting corporations in managing government-financed social action programs. It was Shriver who pulled together business and government until the lines between the two sectors became blurred.

Shriver was generally viewed as a wretched administrator. Throughout his tenure the headquarters office was caught up in petty squabbles among the staff. To keep his poverty warriors on the move, Shriver established an Inspector-General's office ("Fink Shop"), a sort of internal CIA. Under the leadership of William Haddad, a former New York newspaperman, the hirelings of this outfit sneaked about the countryside, gathering dirt on local OEO employees—how much they drank, their mating habits, personality defects, and so forth. When it came time to decide on a grant, there was a little ceremony in Shriver's office. Senior bureaucrats presented the plan. Then Haddad would leaf through his dossiers and see whether there was enough to smear any of the prospective administrators. It was at once a ludicrous and disgusting business. Shriver seemed to revel in it all.

Finally his top staff began to desert. Jack Conway, a senior official who had come from the labor movement, left. So did Richard Boone, a leading official in the community action section. The Washington headquarters further disintegrated and achieved a state of continual chaos. Shriver himself fled the ship, going to Paris as ambassador. ■



HOW CLIFFORD IRVING STOLE THAT BOOK:

AN INTERVIEW BY ABBIE HOFFMAN

THIS WAS THE FIRST TIME I had met Clifford Irving. I had sent him a copy of *Steal This Book* with a special dedication along with a letter expressing sympathy with his predicament this past winter. He answered and I called him on the phone the night before Edith went to jail. The interview did not take place under ideal conditions. It was sandwiched in between a television talk show taping and catching the train to visit Edith in prison. In two weeks he himself would be taken to begin serving his two-and-a-half-year sentence. Although most people thought otherwise, his financial difficulties would not be overcome by the profits from his book about

the book. There was also the matter of Edith's having to fight extradition to Switzerland.

Aside from all his personal troubles, the setting was incredibly oppressive. On the fortieth floor of a modern Manhattan high-riser we sat under the watchful gaze of his attorney. The law firm was quite prestigious and it was obvious from the start that his attorney didn't approve of us being in the same room together, let alone me conducting an hour interview. For us both, a sense of unreality accompanied the interchange. There were expectations that couldn't be realized. So we tripped along through the hour, becoming, in our separate ways, a little "unstuck in time."