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CRIME AND CRIMINAL JUSTICE

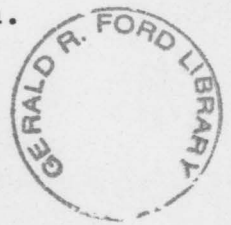
Congressman John Conyers, Jr.

Following an introductory statement which condemns plea bargaining and observes that (1) Blacks are unable to compete economically for equal legal services and (2) Black representation in the legal profession and judiciary are inadequate, (and will not improve in the near future - only 3% of the student bodies of 17 major law schools are Black) the paper makes two sets of assertions relating to the Bureau of Prisons and the Law Enforcement Assistance Administration.

Bureau of Prisons

I. Principal Assertions

1. The operational needs of prison institutions take precedence over the "people" needs.
2. The size of the institutions "dehumanizes, denies privacy, encourages violence"...
3. No further construction of large prison is warranted.
4. There is a need for small community-related facilities.
5. FY 75 budget request:
 - A. 70% to be used for salaries and expenses
 - B. 15% to be used for sight acquisition, planning and construction of four large prison complexes.

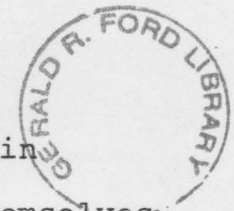


- C. 53 positions and "nearly \$1M" were cut from
FY 74 request in the vocational training area.
6. Prison population confined for robbery and violent crimes has doubled in 19 years and now makes up 41% of all those behind bars. This is an increase of 22% since 1963.
7. Based upon the above figures, the paper concludes that an individual in the Federal corrections system is "at least half as likely to be rehabilitated and twice or likely to commit more serious crimes and become a recidivist."

I. Analysis of First Assertion

1. The emphasis on the importance of people within institutions as opposed to the institution themselves is well taken. In the past there has been a regrettable lack of emphasis on the training, counselling and vocational rehabilitation needs of inmates.

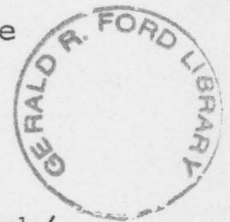
Points overlooked: In the past five years, however, there has been a significant increase in the amount of funds (exact figures being developed by BOP) directed toward work/release programs which encompass "people oriented" halfway houses and a variety of vocational rehabilitation programs.



Budget: "A 1975 Estimates by item of Increase" is attached which illustrates budget increases in the social, educational and drug abuse prevention areas among others.

Response: In responding it should be pointed out that the administration shares the Congressman's concern over the "people problem". In the past decade there have been fundamental changes in our concepts of correction; the emphasis has shifted from simple incarceration to rehabilitation with a growth of work/release programs, halfway houses and conjugal rights. The correction system has been sensitized to the need to encourage the stability of convicts' families as the most reliable unit for social re-integration. Toward this end family counselling has been initiated in several institutions.

As part of the resocialization process halfway houses have been established in inner-city areas. This has assisted in the extremely difficult process of re-entering urban life without involvement with those individuals who may have contributed to a convicts previous anti-social behavior.



Having established some trends towards a more humane, family oriented type of rehabilitation, it must be reasserted that prison is not and can never be a pleasant experience. The objective should be to maximize rehabilitation services and hopefully reduce recidivism.

- II. Analysis of Points #2-4: These assertions can be analysed as one group as they relate to the dehumanizing aspect of large prison institutions and the need for small community-based facilities.

Analysis and Response: There can be no doubt that the best of correctional programs can be compromised by facilities which are inappropriate to their purpose.

The adult maximum security penitentiaries at Atlanta, Leavenworth and McNeil Island which are 71, 78, and 108 years old respectively, exemplify institutions that are not consistent with the bureau's present efforts to provide buildings which support rather than degrade human dignity. These institutions were designed to incarcerate Federal offenders in a different era when correctional programs were not a significant part of institutional treatment. Extensive renovation



and modernization would not significantly improve the environment of these institutions and the cost would be exorbitant. Therefore, it is the bureau's intention to eventually replace these institutions with facilities designed to function as an integral component of the treatment process.

In addition to the need for new facilities to replace old, archaic institutions, the need exists to provide facilities to reduce the overcrowded conditions prevalent in almost all bureau institutions. The bureau's latest population count reveals a caseload of 23,600. This compounds problems of confinement by geometric proportions and virtually eliminates the prospect of attaining the type of environment necessary for effective correctional programs.



These overcrowded conditions are expected to continue unless the bureau can receive relief in the form of additional capacity to house its excess population. The latest population projection based upon 1974 average daily population of 23,330 increased at a rate of approximately 2.2 percent per year indicates a total population of 28,500 by 1984. This total includes sentenced offenders in community based residential programs but excludes those placed on probation or parole.

Of the 28,500 about 2,550 at any given time will be in community-based programs, a 325 percent increase over present levels. (The 2.2 percent rate of increase in population is felt to be a relatively conservative estimate in view of the fact that the Federal prisoner population has been rising at a rate considerably in excess of 2.2 percent per annum since 1968).



In considering these trends the Bureau has identified five regional planning areas (Northeast, North Central, Southeast, South Central, and Western) in which a full range of services will be provided. The new institutions to be built in these regions are a departure from traditional correctional concepts. They will house no more than 500 offenders and will provide specialized correctional treatment programs tailored to the individual. The facilities will be located in or near selected urban areas to relieve pressing local needs for diagnostic and correctional services and, at the same time, to make use of resources available in the community. The urban locations selected will also be in close proximity to the offender's homes to facilitate visiting and prevent the deterioration of family ties while the offender is confined.

The assertion that four large prison complexes will be constructed in FY 1975 is not correct. While the mistake may simply be a semantic difference, BOP's actual plan calls for the construction of four facilities: (1) San Diego Metropolitan Community Complex - population 500 (2) San Diego Youth Center - population 250 (3) Chicago Metropolitan Community Complex - population 399 (4) Miami Youth Center - population 250.

III. Analysis of Assertion #5: The assertions regarding the budget are nearly correct:

<u>The paper states</u>	<u>BOP Budget</u>
FY 1975 request 70% Salaries and Expenses	69%
15% Sight acquisition,	21%
Planning and Construction	

There is no reference to remaining 15%

Response: The statement that 53 positions and nearly "\$1M were cut from the FY 1974 request in the vocational rehabilitation area is not correct according to BOP.

As shown in the attached charts the individuals occupying the 53 slots are simply being paid from another section of the BOP Budget."





	1974 Appropriation Available		Base for 1975		1975 Department Estimates		Increases	
	Perm. Pos.	Amount	Perm. Pos.	Amount	Perm. Pos.	Amount	Perm. Pos.	Amount
<u>1975 estimates by item of increase</u>								
1. Population increase.....	...	\$...	...	\$...	...	\$ 337	...	\$ 337
2. Per capita care increase.....	...	15,863	...	15,863	...	16,862	...	999
3. Activation of 4 new facilities.....	...	...	...	...	572	11,223	572	11,223
4. Expand Wisconsin staffing.....	150	3,064	150	3,196	200	3,791	50	595
5. Restore full base program to McNeil Island Penitentiary.	89	1,688	89	1,760	137	2,607	48	847
6. Narcotic addict treatment programs.....	171	4,824	171	5,097	171	6,507	...	1,410 ✓
7. Food and farm service operations.....	247	4,241	247	4,601	247	4,776	...	175
8. Community Treatment Center expansion.....	159	2,427	159	2,559	179	3,081	20	522 ✓
9. Mental Health programs.....	78	1,308	78	1,376	78	1,435	...	59 ✓
10. Education programs.....	281	5,216	281	5,579	283	7,043	2	1,464 ✓
11. Information systems hardware.....	74	1,577	74	1,619	74	1,895	...	276 <i>with</i>
12. Staff training.....	24	764	24	810	24	922	...	112
13. Medical services.....	383	7,130	383	7,759	383	7,836	...	77
14. Applicant investigations and computer services.....	...	1,588	...	1,588	...	1,915	...	327
15. Transfer of Employment Placement Officer function from FPI.	...	...	...	...	53	934	53	934
16. Other.....	<u>5,630</u>	<u>23,637</u>	<u>5,630</u>	<u>101,336</u>	<u>5,630</u>	<u>101,336</u>	...	...
Total.....	<u>7,286</u>	<u>\$143,327</u>	<u>7,286</u>	<u>\$153,143</u>	<u>8,031</u>	<u>\$172,500</u>	<u>745</u>	<u>\$19,357</u>



Federal Prison Industries, Incorporated
Federal Prison Industries Fund (Analysis)

Summary of Requirements
(Dollars in thousands)

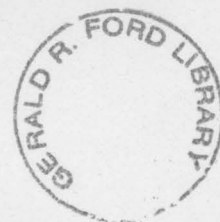
	<u>Administrative</u> <u>Expense</u>		<u>Vocational Training</u> <u>Expense</u>		<u>Industrial Fund</u>		<u>Total Fund</u>	
	Perm.		Perm.		Perm.		Perm.	
<u>Adjustments to base and built-in changes</u>	<u>Pos.</u>	<u>Amount</u>	<u>Pos.</u>	<u>Amount</u>	<u>Pos.</u>	<u>Amount</u>	<u>Pos.</u>	<u>Amount</u>
1974 as enacted.....	54	\$ 1,552	270	\$ 5,500	529	\$ 49,753	853	\$ 56,805
Adjustment for 1974 pay increases.....	...	79	...	350	...	166	...	595
1974 adjusted.....	54	1,631	270	5,850	529	49,919	853	57,400
Uncontrollable increases.....	...	57	...	100	...	284	...	441
Base for 1975.....	<u>54</u>	<u>\$ 1,688</u>	<u>270</u>	<u>\$ 5,950</u>	<u>529</u>	<u>\$ 50,203</u>	<u>853</u>	<u>\$ 57,841</u>

<u>1974 estimates by fund and</u> <u>limitation</u>	<u>1974 Total</u> <u>Available</u>		<u>Base for 1975</u>		<u>1975 Department</u> <u>Estimates</u>		<u>Inc. (+) or Dec. (-)</u>	
	Perm.		Perm.		Perm.		Perm.	
	<u>Pos.</u>	<u>Amount</u>	<u>Pos.</u>	<u>Amount</u>	<u>Pos.</u>	<u>Amount</u>	<u>Pos.</u>	<u>Amount</u>
1. Administrative Expense.....	54	\$ 1,631	54	\$ 1,688	62	\$ 1,804	+ 8	+\$ 116
2. Vocational Training Expense.....	270	5,850	270	5,950	217	5,051	- 53	- 899
3. Industrial Fund.....	529	49,919	529	50,203	569	55,143	+ 40	+ 4,940
Total.....	<u>853</u>	<u>\$57,400</u>	<u>853</u>	<u>\$57,841</u>	<u>848</u>	<u>\$61,998</u>	- 5	+\$ 4,157

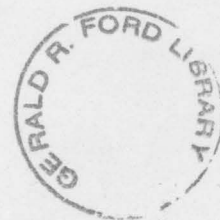
BOP states, furthermore, that these people's responsibilities have become increasingly oriented toward social rehabilitation and counselling activities.

- IV. Analysis of Point #6: The prison population for robbery and violent crime has increased by 100% since 1963; it makes up 25% of the total prison population, not 41% as the paper asserts. (see accompanying chart)

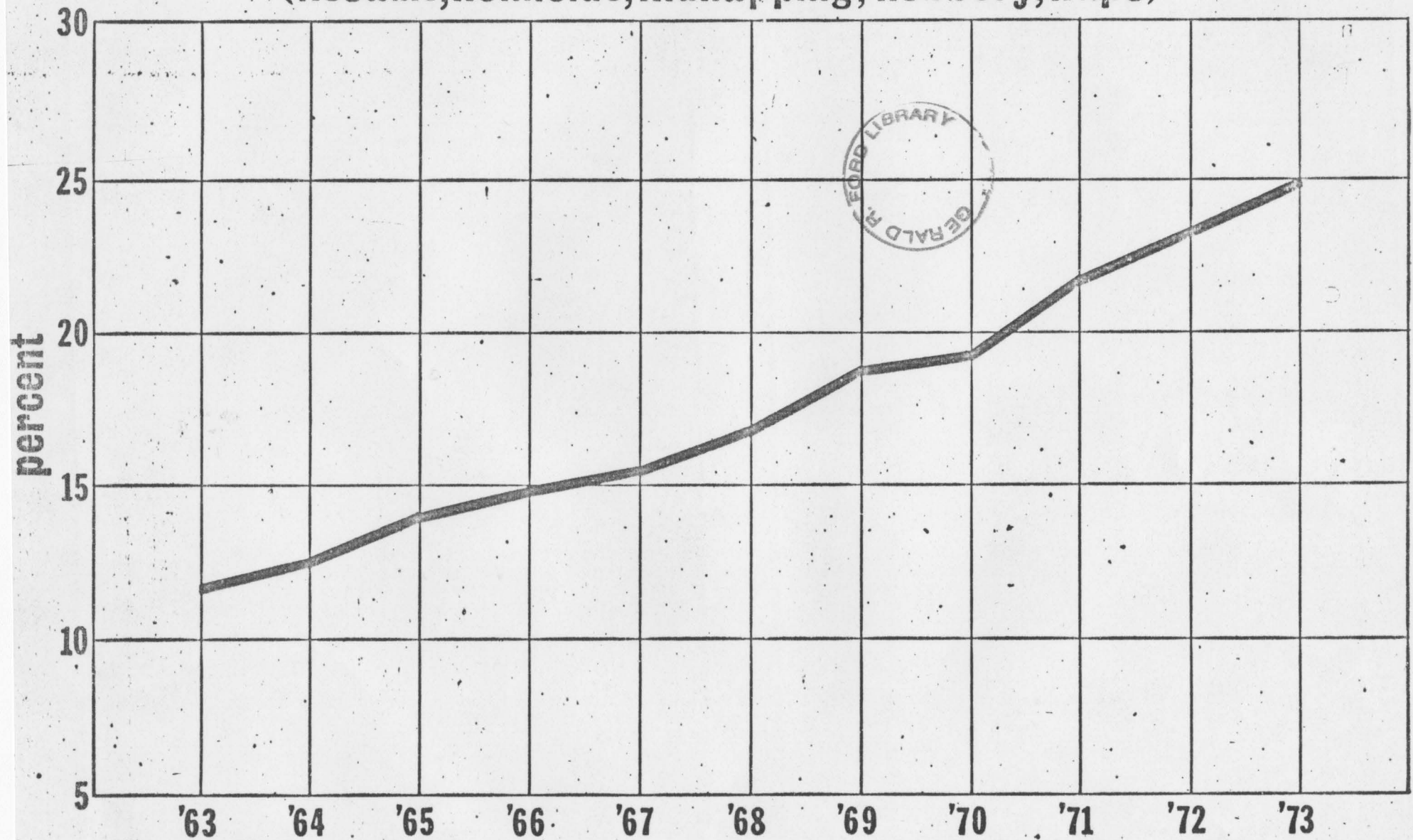
There is no question that there is a close relationship between poverty and crime as the paper states. The conclusion (assertion 7) is not at all warranted from the facts presented however, and is vigorously denied by BOP.

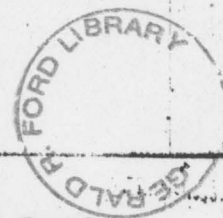


General Comments: Following each of the substantive assertions, I have provided an analysis and response. It is my feeling that several of the assertions and particularly the conclusion are rhetorical, however, and do not reflect the congressman's best thoughts on these issues. In a sense, in several areas, he has thrown away an initial opportunity to state his case with specific requests or concerns that the President can respond to. The most useful thing we can do in response to the more rhetorical assertions, is offer to meet with him or his staff to scope down on two or three particular problem areas and then develop in-depth policy recommendations for the Administration.

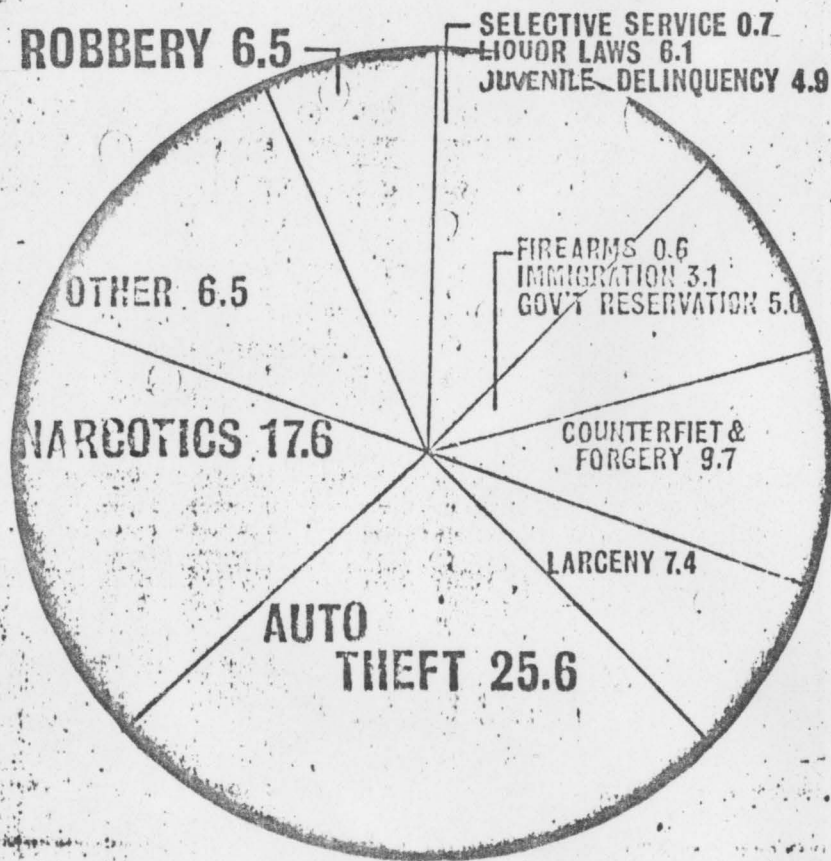


PERCENT of TOTAL POPULATION CONFINED for VIOLENT OFFENSES
(Assault, Homicide, Kidnapping, Robbery, Rape)

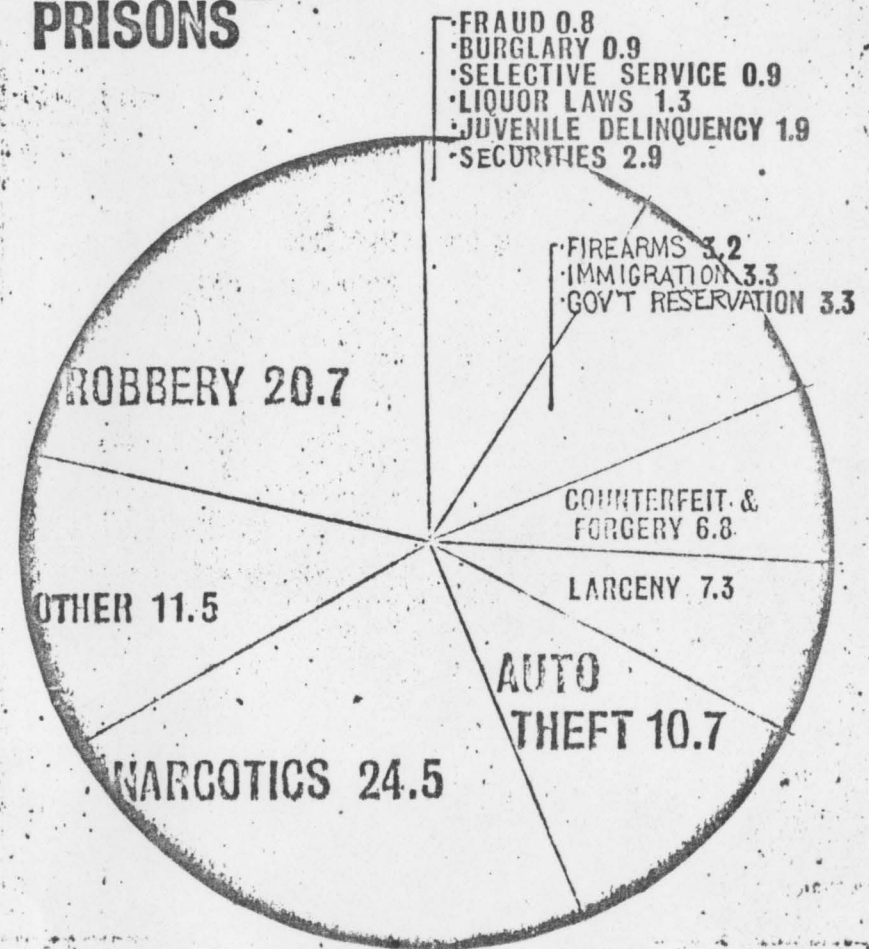




BUREAU OF PRISONS



FY '63



FY '73

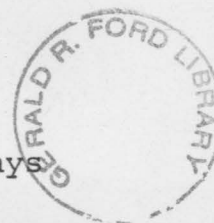
THE PERCENTAGE OF POPULATION CONFINED TO INSTITUTIONS BY OFFENSE

Principal Assertions Relating to LEAA

1. LEAA is little more than a funnel to states for bigger police arsenals and, as such, is cosmetic rather than corrective.
2. Funds budgeted for planning and evaluation have not increased significantly.
3. LEAA evaluation mechanisms are insufficient to gauge how funds are being spent or how effective LEAA programs are in reducing crime.

Analysis of Assertion #1

1. This statement is disputed by LEAA. LEAA says that:
 - a. Police technology is improving so quickly that frequently local police departments are unable to take advantage of the computer services offered by the FBI due to antiquated equipment.
 - b. The term police "hardware" is misleading because there is a distinction between "operational" and institutional "hardware." LEAA is developing data on the breakdown. It is important to note that a substantial portion of the expenditures in this category are for office equipment, uniforms, automobiles, etc.



c. On a broader scale LEAA feels that if they arbitrarily limited the amount of funds that could be used for equipment expenditure - or any other type of project which localities have consistently identified as high priority - they would have been accused of "not responding to local needs." They would also have abdicated their planning responsibilities. Planning is an assessment of actual needs and the development of viable alternatives to respond to those needs, not the imposition of theoretical percentages of the real world. The President's crime commission provided an indication of what the world of law enforcement is like:

Too much of the [criminal justice] system is physically inadequate, antiquated or dilapidated. This condition goes beyond the obvious obsolescence of many correctional institutions and the squalor and congestion of many urban lower courts, which make it difficult to treat defendants or convicts humanely. The system's personnel must often work with poor facilities: record keeping systems that are clumsy and inefficient, communications



equipment that makes speedy action difficult, and an absence of all kinds of scientific and technological aids.

By virtue of the fact that expenditures for hardware have been going down since 1969, LEAA has adopted a trend which is consistent with the concerns expressed. A short term response could reflect this.

TOTAL EXPENDITURES FOR "HARDWARE"

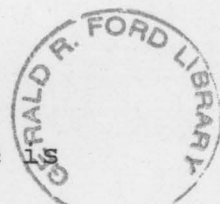
	FY 1969	FY 1970	FY 1971	FY 1972	TOTAL
Total for Hardware	\$ 4,828,127	\$ 29,529,791	\$ 34,860,175	\$ 20,902,073	\$ 90,120,166
Total Part C Funds	17,148,904	129,998,000	238,654,000	196,611,000	582,411,904
Hardware as a % of Part C	28.2%	22.7%	14.6%	10.6%	15.5%

Source: June, 1972, survey conducted by the National Conference of State Criminal Justice Planning Administrators. "Hardware" is defined as communications equipment, helicopters, fixed wing aircraft, police uniforms, motor vehicles for police, firearms, ammunition, and electronic and mechanical surveillance devices. A complete state-by-state breakdown is included in Appendix IV.

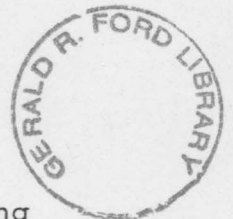
Response to Assertion #1

In responding it is important to point out:

1. The effectiveness of community police service is compromised if local P.D.'s do not have the equipment to obtain all the information relative to their efforts to identify and apprehend those who commit crimes. We must ensure that the identification and apprehension function is not hampered. On the other hand we must be certain that police departments do not develop into para-military units within our



communities. To this end we must be careful to ensure that crowd control apparatus is kept to a minimum. LEAA in coordination with the National Association of Policy Chiefs has accepted the need for increased efforts in the community relations area. Policemen are being encouraged to involve themselves with social action projects, encounter groups, narcotic rehabilitation and treatment centers and other social welfare endeavors.



This trend is further reflected by the decreasing percent of funds being allocated for "hardware" since 1969.

2. Assertions #2 and 3 center around the need for additional efforts in the evaluation area. LEAA has recently mounted a major effort (\$20 million in the next two years) in the planning and evaluation field which should redress some of the expressed concerns.

Response:

The National Institute of Law Enforcement and Criminal Justice will launch a National Evaluation Program in the next six months to gather and disseminate information on the effectiveness and cost of various approaches to crime control and criminal justice improvements.

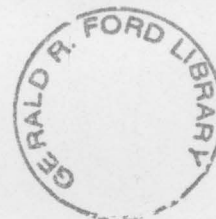
Initially, the Institute will assess those projects which have been widely implemented at the state and local level. Examples of project areas to be studies include:

- Project Ident, a widely-used system of marking property to thwart fencing of stolen goods.
- Youth Service Bureaus.
- Group Homes for Juveniles.
- Neighborhood Team Policing.
- Pre-Trial Screening.
- Pre-Trial Release.
- Court Information Systems.



During the first phase of the program, all available information will be gathered, a set of typical projects will be studied, and the cost and feasibility of implementing a full-scale assessment determined. Where sufficient reliable information about the topic area is available, the Institute will analyze the data and prepare recommendations and guidelines for effective operation of specific projects. If more intensive study is indicated, a second-phase, in-depth evaluation will be carried out by the National Institute.

The evaluations will be conducted by Criminal justice evaluation experts with funding from the Institute's Office of Research Programs.



General Comments: The paper's observations in the LEAA area of the criminal justice problem are accurate. The Administration has taken steps to redress several of the concerns particularly in generating a comprehensive evaluation effort. The response should reflect our common commitment to a strong planning and evaluation function in the criminal justice area.

As in the section of Prisons, the Congressman has included several rhetorical observations which can only be responded to with expressions of concern. The most useful thing we can do in these areas (i.e., access of Blacks to legal training and the Judiciary) would be to meet with him or his staff, scope the problem out, and recommend policy.



IMPROVING THE STATUS OF BLACK WOMEN

by Congresswoman Barbara Jordan

Summary of Principal Assertions

- . Status of Black women compares even more unfavorably than that of White women to men.
 - 49% of Black mothers with children under 5 years old in labor market in 1973. 32% of White mothers with children under 5 years old in labor market in 1973.
 - 8% Black women unemployed - July 1973
 - 4.8% White women unemployed - July 1973
- . Income of Black families disproportionately low compared to White families.
- . Retirement benefits and OASI critical for elderly Black women.
- . Approximately 40 million women dependent upon husbands earnings and, thereby, upon those earnings for computation of retirement benefits.
- . Number of women with children who work or look for work has risen by 650,000 from 1970 to 1973, although 1½ fewer children in families by March 1973.



- . Number of Black working wives with preschool age children who worked at year-round, full-time jobs increased dramatically from 1969 to 1972.

-- 26% Black wives - preschool children - 1969

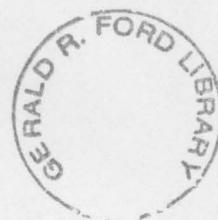
41% " " " " 1972

21% White " " " 1969

24% " " " " 1972

49% Black wives - school age children - 1969

57% " " " " 1972

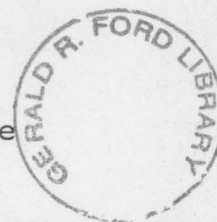


Summary of Recommendations

- . (Implied) Support pending legislation to improve status of women - equal credit, flexible hours in Federal employment, insurance availability, pension reform, family planning services, coverage under national health insurance for maternity and fertility-related health expenses.
- . Extend social security coverage to homemakers.
- . Support Comprehensive Child and Family Services legislation.

Analysis of Assertions

- . Factual data contained in Bureau of Labor Statistics publication: Children of Working Mothers, Special Labor Force Report 165 and Bureau of Labor Statistics publication: Marital and Family Characteristics of the Labor Force, March 1973, Special Labor Force Report 164. The latter publication indicates that 49% of minority (Blacks and other minorities) mothers with children under 6 years old were in the labor market in 1973. The latter publication also indicates that 27 million married women are dependent on their husband's earnings. Approximately 43 million women are not included in the labor force. Unemployment percentages, as indicated in this paper, cannot be traced. BLS data indicates a minority women's unemployment rate of 12.2% in July 1973, and 12.8% in July 1974. Comparable figures for White women are 4.8% in July 1973, and 6.4% in July 1974.
- . Paper does not review coverage of existing day care type programs (Head Start, Parent and Child Care Centers, etc.) which would indicate



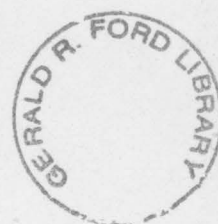
- Impact of such programs on child development (mixed, but more positive than negative);
- Inequity of distributional effects of such programs (universe much larger than such programs meet).

Assessment of Recommendations

- . Hard to assess total budget impact of support of all proposed legislation to improve status of women.
 - Budget impact most severe if family planning services and inclusion of maternity and fertility-related health benefits under national health insurance are supported, to the extent of Federal support for such health insurance.
 - Equal credit and insurance availability support would have no budget impact since it is private sector related.
 - Support for flexible hours in Federal employment might well have positive budget impact, since studies show productivity greater proportionately for part-time than for full-time workers.
 - Pension reform support has already been indicated by Presidential approval of pension reform legislation, since non-discrimination on the basis of sex is contained therein.

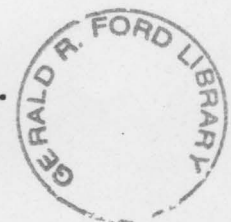


- . Each of the proposed pieces of legislation is designed to respond to an already identified problem of sex discrimination. Therefore, the soundness of the proposals on that problem can be assumed. However, implications both for the general societal structure and for overall economic conditions may be very great, indeed. These implications deserve serious study.
- . There are tradeoffs to be made within the legislative package. For example, coverage under national health insurance of maternity and fertility-related health expenses might reduce the need for an extensive family planning program. Pension reform may serve to mute somewhat the demand for insurance availability, particularly if vesting is added to the current legislation and is carried over to Federal employment as well. (This assumes that such availability is primarily for coverage related to the world of work and child care.) These, and additional alternatives, warrant careful study.
- . Extension of social security coverage to homemakers would have enormous impact and would be almost impossible to achieve logistically. Since contributions for homemaker services would not be made by homemakers directly, but, rather, credit for such services would

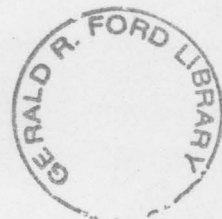


be granted at time of retirement, base and rate of social security withholding would have to be increased enormously to carry additional 40 million persons. Some savings might be realized by changing current rate of support for married male workers, and providing support rates for individuals only, based on their credited or work-earned rates. It is possible that such changes would shift support substantially from work-earned to credited individuals, since homemaking is not subject to market and employment flux.

- . The soundness of the proposal may be seriously questioned, if only because the social security system itself appears to be in increasing jeopardy. If present population trends continue, a growing population of older Americans will have to be sustained by a decreasing population base, and this (by one account) may double the social security rate and base within the near future.
- . It is clear, however, that any alternatives will have equally significant implications. Demand can be expected to increase for equity for homemakers, particularly if the economic downturn continues. Serious consideration of this issue might lead to



reconsideration of our current fragmented programs of welfare, social security, public employment, etc., and a new look at possible income maintenance alternatives (negative income tax, government as employer of last resort, etc.). Such income maintenance proposals are premised on the belief that individuals living in an affluent society are entitled to income support by that society as a "right." They remove the link between "work" and "income" and rely upon the choice-making ability of individuals to select those goods and services which best meet their needs. By making such choices, the individual is presumed to be psychologically self-sufficient, although that person may be financially dependent upon society at a given period of time. With such self-sufficiency, the desire of individuals to seek financial independence at such time, as it becomes possible, is presumed. Current welfare, social security, public employment programs, etc., presume continuing psychological and financial dependency needs on the part of the individual and do not even consider the questions of choice-making. It should be noted, however, that each of these proposals appears to be politically unacceptable at the present time. Certainly, much more study is needed.

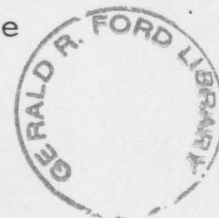


- . Budget impact of support for Comprehensive Child and Family Services legislation would also be enormous. In effect, this would be the other side of the coin of support for social security benefits for homemaker services. If the total universe were to be covered, as the legislation apparently proposes, the number of service providers would have to be increased so considerably as to be unmeasurable.
- . The rationale for a Comprehensive Child and Family Services program is, apparently, that the private sector cannot or will not supply services at a price affordable by the working wife. There is some reason to support this rationale, as experience with the WIN program has demonstrated. However, such a proposal immediately raises the alternative of a child allowance, similar to that now paid in Canada, and to increased dependence on the private sector, as a matter of Federal policy. These issues need thorough review, in conjunction with those income maintenance options outlined above.

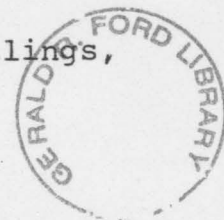
Proposed Responses

- . Short Term

- Indicate that pension reform has been passed and is now law.



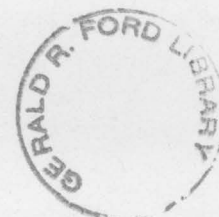
- Support concept of equal credit and insurance availability, through a public policy statement on problems of sex discrimination or through a message to Congress on the status of women.
- Ask Civil Service Commission, Women's Bureau of Department of Labor, and other relevant agencies to undertake a review of "flexible hours" in Federal employment, with particular emphasis to be placed on the questions of employment ceilings, job restructuring, and benefits.



. Longer Range

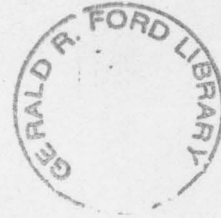
- All questions concerning family planning, additional coverage under national health insurance, social security coverage for homemaker services and comprehensive child and family services should be subject to detailed study and analysis for the reasons given above. A simple extension of the current Child Development Act has been proposed and is under consideration. As indicated above, however, if demand for more comprehensive coverage grows, current legislation will be inadequate. (Two-day oversight hearings on the twin bills introduced by Senator Mondale, S. 3754, and Congressman Brademas, H.R. 15882, were held in August.)

-- So much of what is recommended in this paper hinges on current and future economic conditions that no immediate action can, or should be, taken.



TRANSPORTATION .

Congresswoman Burke
Congressman Young



SUMMARY

Assertions:

1. Expenditures in mass transit (subway systems) will result in immediate employment benefit.
2. Best way to limit total cost is to build systems as fast as possible.
3. Auto and environmental problems indicate substantial need for mass transit.
4. Needs most acute in six major cities for capital construction programs.
5. Other major cities need operating subsidies.

Recommendations:

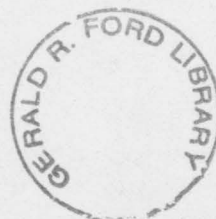
1. President should support mass transit operating subsidy.
2. President should weigh long-term needs against the costs in re: mass transit.
3. (Implied) President should support major national effort and priority in the development of new mass transit systems.

Analysis of Assertions:

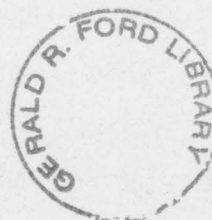
1. Previous research and experience have shown that the side benefits of significant employment, particularly in short run, are minimal. For example, grants have been made to Baltimore

and Atlanta. In both cases it will take 4 to 5 years before any ground can be broken. It takes 2-3 years just to get plans developed to point that bids can be taken. There is no way to significantly shorten this process. As well, the core of the construction workers are those who migrate from previous projects, such as San Francisco and Washington. There are also some major negative side effects on the labor market while systems are under construction, such as shortage of construction workers for other types of work and major increases in wage scales.

2. The shortest construction time is the best way to limit total construction, if you assume that subway systems are the best method to meet needs.
3. Auto congestion and pollution problems do argue for some solution in the form of mass transit. But this does not necessarily mean that subways are the most effect sollution.
4. The needs of the major urban centers, for both capital construction and operating subsidies, are the most critical in the nation.
5. The unstated assumption is that the most appropriate form of mass transit would be subway systems similar to BART and METRO. Analysis has shown that this may in fact be the least desirable form of mass transit. The most cost effective systems are the trollys, which most cities have discarded within the last 50



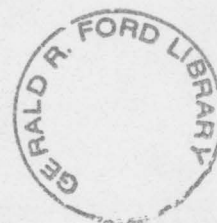
years. The next most desirable systems are buses. The major arguments for subways are: (1) it provides good method to move large numbers of people within minimal negative environmental impacts and (2) it offers a good way to direct and control urban growth and increases land values in corridors. From an cost effective point of view, of subways, all of the economic arguments are against subways. For example, the total capital costs for METRO will be \$4.5 billion. If that amount were put into deposits to draw interest, the interest would finance a bus system twice the size of the present one, with no fares, forever. The right-of-way costs are what is so high in subways. In METRO the average cost of one mile of the system will be \$40 to \$50 million. Thus, the elaborate Shirley Highway complex from the river south about 4 miles was constructed for about the same cost as one mile of METRO, and it will carry equal or larger numbers of people. In developing a subway system, it must be done in corridors, thus making it difficult for the majority of people to have easy access to the system. Bus systems don't have this problem. The cost of a bus runs about \$50 thousand, but the cost of a subway car runs \$400 thousand while the passenger capacity is not that much greater. If the capital outlays for a subway system such as METRO were amortized over 40 years,



the net effect is to subsidize every passenger trip during that 40 years by \$1.25. In short, while \$300 to \$400 million per year would provide good bus systems throughout the nation, that amount will not even begin to touch the amount needed for subway systems.

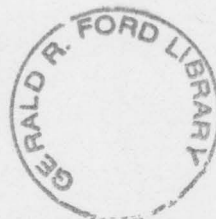
Assessment of Recommendations:

1. Support of operating subsidies appears to be appropriate in principle, the question is at what level.
2. A major national effort in mass transit also appears appropriate, but not necessarily support for construction of subway systems.
3. Given the heavy budgetary impact of subway systems, it would appear undesirable to undertake any major Federal effort to finance them. However, in considering the needs over the long range a major national commitment to other methods such as bus systems seems most appropriate. The recent Urban Transportation Assistance Program proposed to the Congress essentially represented this. That proposal would provide Federal funds on a formula basis and allow local governments to determine how to use the funds (i.e., subways vs. buses). This funding would also allow use for operating subsidy. The net effect would be to provide significant Federal support for efficient systems, such as bus, and low Federal support proportionally for inefficient systems such as subways.



Proposed Response:

1. Short term: Indicate interest in the subject and intent to major proposal after first of the year. Offer to have DOT and OMB staff give briefing on analysis that have been done.
2. Long Term: Sometime next year present major proposal to Congress to deal with mass transit needs. Probably similar in concept to the Urban Transportation Assistance Program. Request DOT to undertake the development of such a proposal.

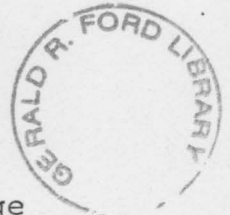


MASS COMMUNICATIONS

Congressman William L. Clay

Summary of Principal Assertions

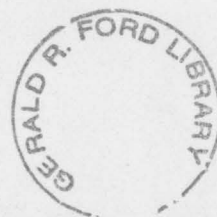
- . Important for President to develop credibility through communications that provide for receipt by decision-makers of feedback from broad measurable constituency.
- . James Quello, new FCC Commissioner, has endorsed, in principle, government subsidies to Black persons gaining broadcast licenses; November 1973 court ruling that FCC would have to give special consideration to minority ownership in deciding which group should be awarded a broadcast license.
- . Black community is not receiving adequate information for Bicentennial.
- . Inadequate media attention to problems of Africa, in spite of repeated statements of need on the part of officials:
 - Ambassador Kibinge of Kenya accused media coverage of African events as "crisis-oriented."
 - Secretary Kissinger, October 1973, stated: "We want to see what useful role the United States can play..."



- . Federally-supported public broadcasting services inadequate for Black people.
- . Advertising in the Black press is inadequate.

Summary of Recommendations

- . President should include Blacks on the staff of the press secretary.
- . White House news corps should include Black journalists from radio, television, and the press.
- . Black communications specialists should be placed in policymaking positions at FCC, Office of Telecommunications Policy, Corporation for Public Broadcasting, International Radio Board, Federal Trade Commission.
- . Include NATRA and its membership in information circulated concerning Bicentennial celebrations.
- . President should be more receptive to information concerning African affairs.
- . President should review Public Broadcasting organizations to assure that Black people are adequately involved in developing and distributing their services.

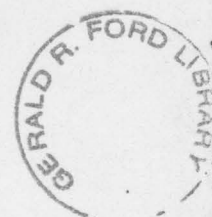


Analysis of Assertions

- . So far as can be determined, facts stated in this paper are essentially correct. However, the subject is very broad and has received the attention of many public and private institutions in recent years. Within the Federal Government, Equal Employment Opportunities Commission, Commission on Civil Rights, the Federal Communications Commission, and the Federal Trade Commission have done studies of the impact of and need for communications programs and policies on Black people.
- . EEO information concerning hiring practices of the listed agencies is available. For the most part, it shows little penetration of minorities into support, program, enforcement, and top career staff positions. There is some penetration at the level of highest political visibility, but even it seems to be token.

Assessment of Recommendations

- . Most of the recommendations would have no budget impact since they would consist of changes in ongoing procedures and processes. It is possible, however, that heavier emphasis placed on the problems of Africa would have longer range foreign policy and resource distribution impact. For example, such emphasis might

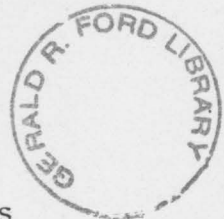


- lead to increased food and food support to relieve starvation conditions in several African countries.
- . The issue of "representativeness" continues to be debatable. One line of argument insists that non-minority employees and policy-makers can better make the case for attention to minority problems, because they have "nothing to lose." However, representativeness is the most widely and currently accepted method for assuring attention to the problems of groups previously left out of the public process. Most of the recommendations suggest such advocacy representation. It would, therefore, be of doubtful utility to rely upon the good will of non-representative individuals as the argument above might suggest.
 - . More policy-level study may well be necessary to address the implications of increased emphasis on African problems.

Proposed Response

- . Short-Term

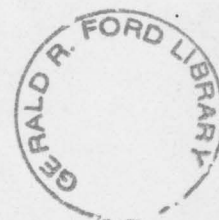
- Appointment of Blacks to the staff of the Press Secretary would have immediate visibility, and might result in some increased assignment of Blacks to the White House news corps by newspapers and television.



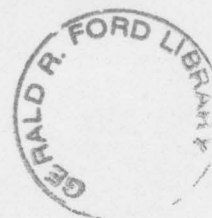
- Most specialist positions of the sort proposed for increased representation by Blacks are within the Civil Service Merit Promotion system. One way of increasing such representation is through careful monitoring of the agency's affirmative action plan. Presidential level appointees of the FCC, OTP, Corp. for Pub. Broadcasting, Int'l Radio Board, and FTC should be directed to assure that such plans reflect opportunities for Blacks to move into policy-making jobs.
- American Revolutionary Bicentennial Administration should be directed to add NATRA and its membership to mailing lists for information about Bicentennial activities.

. Long Term

- Policy level reassessment of American foreign policy toward the Black countries of Africa needs to be explained and clarified for increased public understanding. Since the implications of such reassessment may be substantial in political and economic terms, designation by the President of an organization or individual to undertake such reassessment would suffice in the short run. However, pressure for results will have to be responded to in the long run.



-- Since a great deal of study has already been undertaken with regard to the needs of Blacks for an increased role in all aspects of mass communication, some expression of Presidential level support might suffice to accelerate the process of response. If such an expression is considered impolitic, direction from the White House to the agencies involved (particularly Public Broadcasting agencies) to assure adequate representation of Blacks in developing and distributing services might serve as an alternative.



ECONOMICS

Congresswoman Cardiss Collins

I. Summary of assertions and recommendations

A. Assertions:

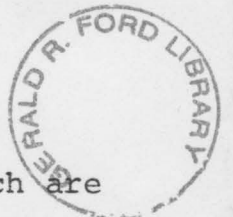
- Black unemployment, especially in inner city and depressed areas, has reached "astronomically high levels."

B. Recommendations:

- "America must design and implement a new system that can effectively tackle problems which incubate in depressed areas with high concentrations of joblessness."
- The Government must continue ". . . to support social programs that will economically strengthen America's needy populace."

II. Analysis of Assertions

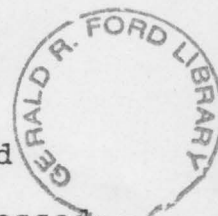
Two statistics about Black unemployment are cited which are correct: (1) that Blacks and other minority-group Americans were twice as likely to be unemployed in 1973 as Whites; and (2) that the official unemployment rate for Blacks in Chicago averaged 8.7 percent in 1973. It is also noted that "unofficial surveys" -- which I cannot verify, but which appear to be reasonable -- place unemployment at 30-45 percent in specific areas within Chicago. The paper then



indicates that this particular area of the city with high unemployment "... is slated to receive little in the way of Comprehensive Employment Training Act funds. The fact of the matter is that the entire city will receive some \$15 million less in 1975 than it received in 1972." This assertion is difficult to verify for a variety of reasons: (a) In 1972 Chicago was receiving manpower funds under MDTA and EOA authorities (which generally equate with CETA Title I), and also the now-expired Emergency Employment Act (including a special one-time \$7 million demonstration project); (b) the FY 1975 appropriation has not been enacted, so final amounts are not known and (c) "transitional" funds were made available in June, from FY 1974 funds, which will be used in FY 1975. In general, however, FY 1975 CETA Title I amounts are equal to FY 1972 MDTA/EOA funds (and, in any case, are the result of a formula written by Congress); and the combination of other funds available in, or to be appropriated for, FY 1975 is greater than the amount in 1972 (albeit packaged differently). As to particular areas within the city, that amount will depend on CETA II appropriations not yet enacted, and the city's internal allocations of resources.

III. Assessment of Recommendations

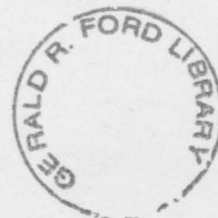
The paper recommends that a new system be designed and implemented to deal with the problems arising in depressed areas of high unemployment, and that existing agencies such



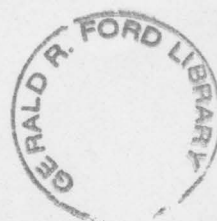
as the Economic Development Administration would be a viable support (as it is now -- the FY 1975 Budget provided \$18 million for urban public works grants). It is true that the present human resources programs have not met the problems cited, certainly not under current economic conditions. On the other hand, the programs are not static, and it is not clear yet what impact recent and pending changes will have (e.g., CETA's State and local decisionmaking on manpower programs, the States' role in use of supplemental and basic grants under the pending EDA legislation).

IV. Response

In the short run, both the Congress and the Executive should continue oversight of present programs to ensure that ". . . every Federal dollar spent must maximize its benefits." Where necessary, attention should be brought to instances where implementation of new authorities can be directed to specific needs, or where legislative changes can be proposed to remedy shortcomings. The question of adequacy of funding to meet one need versus another, of course, is an ongoing responsibility of both the Congress and the Executive. In the longer run, there is a need to develop a comprehensive new strategy for assisting low-income persons (in which EDA can play a role), and the Congress should be urged to assist the Administration in developing it. Specifically the



President (or the Domestic Council) might request the Black Caucus (or its delegated representatives) to participate formally in a major effort to review the results of current programs intended to meet the needs of low-income persons, and to recommend either new systems, or ways (legislative or administrative) to modify present systems, to effectively meet those needs.



GENERAL REVENUE SHARING
Congressman Louis Stokes

Summary of Principal Assertion and Recommendation

1. Assertions

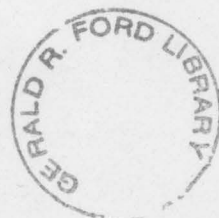
That the incorporations of a series of recommendations into the general revenue sharing program will provide a strong mandate to State and local officials to use related funds in an equitable manner, and will reduce or soften the inflationary impact upon those Americans who are at the bottom of the economic ladder.

2. Recommendation

- a. That the revenue sharing formula be adjusted so that poor urban communities received a larger portion of fund allocations.

Analysis

This recommendation deserves maximum consideration. The Office of General Revenue Sharing has a contract with the Stanford Research Institute to study this problem. No decision or recommendation is expected to be submitted to the President or Congress until the study is completed.



It should be noted that part of the present formula is based upon per capita income, which should to some extent reflect the poor urban communities.

- a. That the 20 percent minimum be removed so that wealthier communities receive only formula share.

Analysis.

Appropriate. This is also being addressed in the Stanford's study. In addition, a General Revenue Sharing Steering Committee (consisting of Scott, Marik, and J. Falk) are considering this as a possible action.

- c. That a need factor be incorporated into the formula.

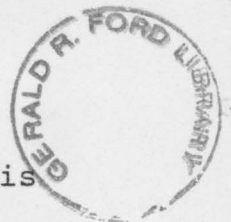
Analysis.

This recommendation lacks specificity. The present formula has need factors, i.e. per capita income, and tax effort.

- d. That a provision be enacted to compel the Bureau of the the Census to correct the 1970 undercount of minorities.

Analysis.

Legislation is not required. This recommendation is expected to be implemented. The problem -- is how to correct the undercount. Representatives of the Office of General Revenue Sharing is presently considering ways of making the corrections. In addition, the Department of Commerce has established a Census Advisory Committee on Black Population for the 1980 Census. The purpose is



to provide an organized and continuing channel of communication between the Black population and the Bureau of the Census -- so as to prevent future undercount type problems.

- e. That the President issue a Presidential directive to Treasury and the Office of Revenue Sharing relative to enforcement on civil rights provisions.

Analysis.

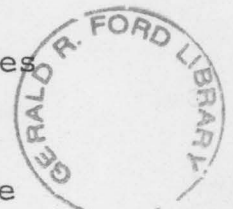
The civil rights provisions in the general revenue area is the same as all other Federal programs provisions. The problem in the general revenue sharing area is the lack of a capability within the Office of General Revenue Sharing. The Treasury Department request for enforcement resources during the past two years has been refused by Congress. The Administration has supported the additional resource requirement - Congress has not. The pressure should be placed on the appropriate Congressional appropriation committees not the President.

- f. That the civil rights sanctions for noncompliance be made as strong as other noncompliance provisions.

Analysis.

Recommendation is appropriate. A change in the legislation is required to implement.

- g. That citizen participation be made mandatory.



Analysis.

While it is important that citizens participate in the allocation and use of revenue sharing resources, I questioned the utility of the Federal government shackling State and local government with mandatory citizen participation. As this paper has pointed out, The Act requires that funds be spent in the same manner as the city's own revenue. This -- appears to be adequate control.

- h. That recipient governments be required to publish copies of the Planned Use Report at least 60 days before that report is submitted to the Office of Revenue Sharing.

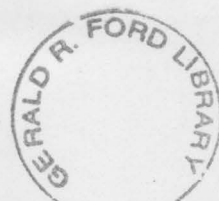
Analysis.

No need. The report is only a plan -- it can be changed.

- i. That the recipient government be required to justify changes made in the Actual Act Report when those changes are at variance with the Planned Use Report.

Analysis.

The primary objective of general revenue sharing is to provide maximum flexibility to the grantee in the control and use of funds. If we continue to add on restrictions the grantee will have no more flexibility than he now enjoys in the categorical grant area.



While the Planned Use Report is only a plan, the Actual Act Report reflects how the funds were in fact used.

The use of the funds must be in accordance with both statutory and administrative requirements, which, with the exception of civil rights area, is adequate.

Proposed Response

Short Term. Acknowledge the need for an in-depth assessment of efforts to implement and administer the general revenue sharing program. Express support for recommendations a, c, and f. Express support in the objectives of recommendations d and e -- but explain that other means may be used to better accomplish their objectives.

Long Term. Recommend to Congress a revision to existing revenue sharing legislation.

