

Poverty (1964)

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VOLUNTEERING AGAINST POVERTY

by

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President

[Washington] Chamber of Commerce of the United States, 1964

[address] before

Joint Luncheon Meeting of the
Western Traffic Region,
Defense Traffic Management Service

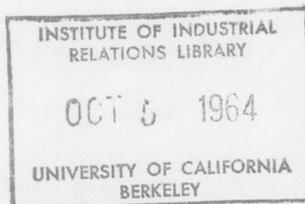
and

San Diego Chamber of Commerce,

San Diego, Calif.

July 28, 1964

(28-4)



Mr. Chairman, Ladies and Gentlemen:

Your invitation to join you here in San Diego is a very welcome one. In the first place, this is about as far as you can go from Washington without getting your feet wet. Not that I have anything against the Nation's Capital, or that I mind getting wet feet in a good cause, but it helps one's perspective to come out here where there are a few more hours left to ponder each day's events back east.

Another thing that makes this visit so pleasant is that I feel right at home among you, having spent most of my life with traffic and Chamber of Commerce people like you, who always seem to be around when things are getting done.

Because I do feel we have so much in common, I would like to discuss with you the war on poverty that has been so much in the headlines in recent months, and perhaps consider some practical things you and I can do about it.

Not much needs to be said here, I am sure, about why we should do something. Even if we wanted a selfish reason it would be easy enough to find one. When wasted human resources are put to productive use, our whole economy grows bigger and stronger. We all benefit.

Now certainly, poverty is not a simple or non-controversial matter. Nor is it one with which we laymen are overly familiar. The fact is, the word poverty is not even easy to define, but for our purposes I will try to explain the kind of poverty I have in mind.

Real poverty is more than just being broke, or out of a job, though that can be bad enough. It is being without a useful skill, without education, without apparent prospects and without hope. This kind of poverty strips a man of his natural dignity, frustrates and shames him, his wife and children. The late Mike Todd, a great theatrical producer, used to say that he had often been broke, but had never been poor. He knew the difference. I wonder if we know it well enough -- we who live in complacent suburbia, ride the expressways to and from our offices, choose our friends to suit our own tastes, and never quite see the face of poverty close up. There seems to be a tendency to think that real poverty exists mostly in foreign countries, and that what we have of it in this country is largely a problem for charity organizations.

There is a need for charity, to be sure, especially charity in its true meaning. You may remember how Jack London described it in one of his famous outdoor stories. Charity, he said, is not tossing a bone to a dog. Charity is sharing a bone with a dog when you're just as hungry as the dog is. But even this kind of charity is not enough in these times. Forty or fifty years ago social responsibilities were commonly discharged by attending a Charity Ball or sending a basket of food to a poor family across town at Christmas time, and leaving the rest to organized public charity. But the world has whirled around a great many times since those days. The problem of poverty today is too deep-rooted and complex to be resolved completely by such simple means, well intended as they are. Now we must work at the poverty problem.

I know there are cynics who would have you believe that this war on poverty is an election year gimmick dreamed up by the political press agents. You can even hear people joke unfeelingly about how folks in the Appalachian hill towns run to hide their shoes and whiskey when a helicopter approaches, in case some Congressmen and photographers might be dropping in.

But let's not be kidded. Poverty in America today is real and government and political leaders did not start the war against it. They merely intervened -- on the right side naturally -- in a war that had been going on for a long time in hundreds of communities throughout the country. Sure, the government and political leaders timed their intervention nicely. They joined in just at the start of a national election campaign. But that is not to imply that their concern over poverty is faked. It means that politicians, who by their very nature are sensitive to rising tides of public opinion, were able to see the oncoming wave of indignation before it splashed over into the headlines. The fact is, the poverty problem would have arisen without any political help, because we had reached a crisis. Here in the richest land on earth, the very poor -- the hopeless and traditional poor -- were being left so far behind the prosperous majority as to become a national embarrassment. They were ragged relations at the rich man's feast, and they could no longer be ignored. The natural instinct of the American people to lend a helping hand had been aroused. Government and political leaders recognized both the obligation and opportunity confronting them, and so the government intervened.

Now the fact of our great material progress is not to be overlooked, of course. In general terms we have reduced poverty a great deal. In 1929 more than half our families -- 51 per cent -- had incomes of \$3,000 or less and only 5 per cent had incomes of \$10,000 or more. By 1962, only 21 per cent had incomes of \$3,000 or less and the number earning over \$10,000 had increased to 19 per cent. These figures are all in terms of 1962 dollars and they were supplied by the National Bureau of Economic Research.

Moreover, there are places around the world where \$3,000 a year is wealth beyond imagining. But this isn't Asia or Africa or Latin America. This is America, and the year is 1964. Poverty is a tragedy in the underdeveloped areas of the earth where little can be done about it. In America today, it's an outrage.

And so I for one, welcome effective government assistance. But I am not forgetting for one minute that this is essentially a job for the free market business system. This is fundamentally and inevitably your war and mine, not government's. Let's bear in mind that the flow of this nation's strength is from the people who create its wealth and power to the government, not the other way around. We must rely chiefly on the free market system to provide the jobs, the resources, the skills and the battlefield leadership which this war on poverty demands. Business-government cooperation is, of course, absolutely essential, but this joint effort must be brought more into balance by a greater outpouring of businessmen's initiative. It is on this basis that I am here to urge you to volunteer in the war on poverty.

Let me say a word about the kind of war it is. It involves long-range strategy as well as short-term tactics directed at immediate needs in specific places. Strategy for the long pull calls for economic growth to provide more jobs for our expanding population, and for upgrading our state and local educational system to keep pace with our technological progress.

The long-range requirements are not new. The Chamber of Commerce of the United States has been hammering away at them for as long as I can remember. We need federal tax reduction and reform in order to generate more investment, which alone can provide the tools to increase our productivity, and make our system grow. We have had some tax reduction and more is needed. At the same time, there must be curbs on excessive federal spending and reduction of the national debt. We need a business climate based on a better understanding of the necessary role of profits.

We need to stimulate invention in private industry and to reduce government participation in research so that consumers can share more adequately in the benefits of our scientific progress.

We also need more information about the nature of the long-range problem. We do not yet fully understand what causes poverty, how to measure it, how to relate it to education, training, health, welfare and economic growth, or how to motivate people to escape from poverty. One of my first actions on being elected President of the National Chamber was to organize a National Task Force on Economic Growth and Opportunity, to seek some of the answers to those and similar problems. More than 100 leading business executives have agreed to serve on this Task Force. They will be aided by an advisory committee consisting of highly competent scholars who have already begun to study several aspects of poverty. Perhaps it is starry-eyed idealism to hope that all forms of poverty can be stamped out in this generation, even though for the first time in recorded history we may have the material abundance to do so.

Perhaps there will always be an element of society totally lacking in the will or the ability or both, to help itself. The truth is, third and fourth generations of welfare families do exist in our midst. But these are the exceptions. Most of the poor desperately want to be self-supporting, contributing members of our society. They want a chance to be customers, not relief cases. We're going to give them that chance and we're not going to sit on our hands waiting for federally-designed strategy to be carried out.

As I mentioned earlier, a great deal is being done by private citizens -- businessmen, educators, students, people with ideas who are sufficiently concerned to act, who aren't sitting back waiting for the Washington rescue squad. They're not making many headlines but they are important because they bring into play local initiative, local ideas, local leadership. They have the close-up view of how the enemy works in that area, they have a neighborly interest in winning.

Let's take a look at some of the direct action being taken to create new jobs and develop the skills needed to fill them, in short, to convert human cast-offs into useful, contributing citizens. I mention these examples not just to brag about businessmen, or to suggest that we're already winning the war, but rather to encourage an even greater effort. I'd like you to consider them in that light and judge for yourselves whether they suggest something that you and others can do in your community.

The problem of poverty, of course, is not synonymous with unemployment. In fact, it has been said that if we could somehow create 30 million new jobs overnight we would still have poverty, because there are millions of persons who just don't have the skills or the physical or mental equipment to fill a job.

Consequently, many of our local Chambers of Commerce are laying heavy emphasis on the educational side of this war; on how to cut down the alarming number of high school dropouts, how to provide better in-school and on-the-job training for youngsters and adult workers alike, how to establish better communications between employers on the one hand and educators and students on the other.

What can we do about dropouts -- the kids who found school to be useless -- the kids who quit in frustration -- often with no saleable skills in terms of local job opportunities? Even some high school graduates lack the skills needed for our technical economy. In some towns, Chamber volunteers, man and woman teams, meet with these youngsters in groups and individually before they quit; they talk over the problem, try to show the kids what they will lose by quitting school and how far behind they will fall in future competition for better jobs and good pay. Of course, this is effective only where schools do provide the curricula and training courses at which the kids could succeed -- if guided and encouraged to do so. And it's in this guidance and encouragement that businessmen can really help. One Chamber concentrates all its effort on the lower-third of the high school senior class where the dropout potential is greatest; others see to it that every boy and girl in their town's high school system is exposed to plenty of plain talk on the relationship between education and advancement, either through group discussions, classroom lectures, television or graphic pamphlets that get the message across in language the kids can understand, like: "The Teenager Who Lost the Future"; or "Don't Get Stuck In A Low-Paying Job. Hit the Books!" Nothing fancy about any of those approaches, but they work; they are encouraging youngsters to give school another try; they are hitting poverty right where it begins.

We've learned it helps to keep school authorities and students well informed on the number and kinds of jobs that will be available at the close of the school year and the specific skills that will be needed. This not only helps the young people, it helps business, too, because even in areas where unemployment is heavy, many jobs requiring certain skills are going unfilled.

Some local Chambers conduct periodic surveys to determine job opportunities and requirements in their areas, not just for the immediate present but for years into the future, and they pass the information on to guidance counselors in the schools. Nothing mysterious about it, but it works. And it will work even better when every business firm, no matter how small, recognizes that it has a part to play in coordinating its job requirements with the educational system of its community.

In some places, local Chambers have developed youth placement services to provide part-time jobs for high school students. They get on-the-job training in such fields as printing, automobile mechanics and retail service. Others make a point of distributing up-to-the-minute information to factory workers on the adult educational and vocational training courses available in the area, so that anyone who really wants to upgrade his skills for a better job has the opportunity to do so.

Some communities have figured out that they can attract new industry by making sure that trained workers are readily available. Willmar, Minnesota, and Pensacola, Florida, have floated bond issues, putting up local tax money to build community colleges which place heavy emphasis on practical vocational-technical training for adults and for high school dropouts. The Willmar community college has been supplying a steady flow of trained sewing machine operators for a garment factory which had located in the town on a trial basis. Now the firm is considering a permanent location in the town because of the vocational training program.

Pensacola is combining with its already established Junior College a new \$3.1 million Institute for Continuing Adult Studies, which will provide both an adult high school academic program and an adult vocational program. The result will be that more Pensacolans will attain high school graduation and two years of college level education, or will emerge from the vocational-technical program as skilled workers in a number of trades. School and community leaders predict that this broadening of the educational program can mean millions of dollars added to the economy of the area.

New jobs, as well as skills are needed for local prosperity, so more and more communities are turning to local industrial development corporations to attract new industry. In some cases, factories are built either as speculation or for a specific firm; in others loans are made for building new plants.

Altoona, Pennsylvania has been making loans for plant construction since 1946. The development loan funds have been raised through public subscription campaigns. The 16 new firms brought in by this "More Jobs for Joes" effort, have put 6,500 persons to work. This program was sparked by the Altoona Area Chamber of Commerce.

In Mount Airy, North Carolina, the local chamber formed a development corporation which has had to fight apathy and negativism on the part of city and county officials to carve out a 170-acre industrial park. In the past three years, this bootstrap operation has attracted one new industry and financed the expansion of three others. The improved industrial climate led to the expansion of several other local firms. More than 1,400 new jobs have been created in Mount Airy, and the county, which borders the Appalachian region, is no longer listed as a chronic labor surplus area.

Naturally, I am not implying that chambers of commerce are fighting this battle alone. Volunteers are coming from many quarters. For example, in New York City hundreds of Columbia College and Barnard College students are giving four to six hours of their time every week to tutor underprivileged slum children and to help out in recreational and community centers. Hundreds of these young men are repairing and winterizing the little one and two room public schools that are customary in the mountain areas of Appalachia; they're going from hollow to hollow, cleaning up, painting up, and sprucing up homes, and they're encouraging those people to get off the front porches and start helping themselves. And the next time you hear someone saying our young people are going to seed, tell them about the Eastern Kentucky college students who are using their summer vacations right now to help raise living standards in Appalachia. The student volunteers are getting help in the form of money, building materials and technical advisers from a number of industrial firms that think it's good business to fight poverty.

Individual businesses can easily find ways to help on the poverty front. The Combined Insurance Company of America is underwriting the \$25,000 first year cost of a pilot program to help the many migrants from the Southern mountains adjust to urban life in Chicago. Some 25,000 mountain families have settled in uptown Chicago. Ill-suited to city life, many of them are engulfed in worse squalor than that which they sought to escape.

The Chicago program, being carried by the Council of Southern Mountains, has a specially-trained social worker helping the displaced mountaineers find places to live, helping them get jobs and job training and seeking to overcome employer prejudices and lack of understanding of the potential and capacity the "hill folk" have for adjusting to industrial employment.

This pilot effort has attracted the attention of groups in other cities with large concentrations of migrants from the southern hills. The Traveler's Aid Society in Cincinnati, Ohio, for example, is making plans to begin a similar program in that city.

It doesn't take a big organization to start things rolling. In Montgomery County, Maryland, just outside Washington, D.C., one solitary housewife with a little time on her hands started tutoring a few youngsters from an adjacent slum neighborhood. Pretty soon, her neighbors were helping out. The classes began out-growing their living rooms and moved into nearby churches and public schools. Today, this neighborhood project has spread all over Montgomery County and some 500 underprivileged kids are getting a lift into society from volunteer parent-helpers who are willing to spend their spare time building a better community. The Montgomery County Chamber of Commerce didn't organize this program, but it seems to me that local chambers could provide the necessary organizational impetus to get something like this started in other places.

Or look at what's going on at Western Electric Company's Hawthorne Works in Chicago, where more than 17,000 workers are employed. Hawthorne is Western Electric's largest unit, yet this company took the trouble to conduct a pilot training program for 12 young girls, all of whom had been classified as unemployable and some of whom had been picked off the relief rolls. In just four weeks of paid training, 11 of these girls qualified as clerk-typists for the company and the 12th went on the payroll as a file clerk. As a result of this success, Hawthorne will begin a major program in September to train and employ the so-called unemployables on a much larger scale, seeking to train both men and women for jobs in which there is usually a chronic demand -- machinists, relay adjusters, wiremen, and operators for comptometers and calculating machines.

The list of direct action programs that have been set in motion by American enterprise is all but endless. Again, let me say that I do not cite them boastfully,

but as examples of what can be done -- what must be done -- if this war on poverty is to be prosecuted successfully. The job cannot be left to government. We have no right to leave it to government. Government has nothing to offer the poor except what it takes from us for that purpose. So, I ask you to take a long look at what is happening in communities all over America where people are volunteering against poverty. Ask yourselves whether you can afford to do less in your home town.

In his Inaugural Address in January, 1961, the late President Kennedy told the world: "Today, man holds in his mortal hands the power to abolish all forms of human poverty..."

We can do nothing more noble than to put this great power to work in our own communities.

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