1313 New Senate office Bldg. [1964]

DRAFT OF "REBUTTAL" TO GOLDWATER TO BE GIVEN IN MINNEAPOLIS

When Senator Goldwater came here last night he came to a new city. He saw a city that is being revitalized by urban renewal, rehabilitation and redevelopment.

It is all well and good, perhaps, for Senator Goldwater to give us his views about (TO COME). But the people of Minneapolis are also vitally interested in what the Senator's views are on how to solve the problems that cities like ours face. This is something we know something about first hand. We want to compare notes with the candidates on this subject.

All we know about Senator Goldwater's views on the problems of the cities we know from his voting record. And what does this show?

From the time he entered the Senate in 1954, Senator Goldwater has voted consistently against the kinds of Federal assistance that have enabled Minneapolis to become the revitalized city it now is.

He voted against public housing in 1954 and 1957.

He voted against the college housing program and grants for community planning in 1958.

He voted against increasing urban renewal funds in 1959.

He voted in 1961 against public housing, against moderate-income housing, and against President Kennedy's landmark Housing Act of that year.

He voted in 1962 against establishing a Department of Urban Affairs to give the President a member of the Cabinet with immediate responsibilities in the urban area.

He voted against the Urban Mass Transportation Act in 1963.

And this year he failed to vote on President Johnson's Housing Act and the Urban Mass Transportation Act.

If Senator Goldwater's votes had prevailed over the years, the Twin Cities would not have been able to undertake the great revitalizing programs now well in progress.

What have these programs meant to this metropolitan area?

Senator Goldwater might be interested in what Federal assistance has meant to us right here in our area. Let me cite some of them.

More than 4,000 college housing accommodations have been built with Federal assistance, in our metropolitan area.

More than $300,000 has been advanced by the Federal Government to our local communities to plan for needed public works.

More than 500 senior citizens will be suitably housed in new homes built with Federal loans.

More than $50 million in grants have been approved by the Federal Government for our urban renewal programs.

More than $1 million has been approved in Federal grants to provide planning assistance for our future growth needs.

More than 4,600 low-income families are living in decent, safe and sanitary housing provided through Federal public housing contributions.

Nearly 60,000 of our families have been able to buy their homes thanks to the mortgage insurance through FHA.

More than 300 families with low- to moderate-incomes will be able to live in good new homes built with special Federal low-interest loans.

And many thousands of Twin Cities family heads have been provided with good incomes from good jobs building our new homes and new buildings that Federal assistance has made possible.

That is what Federal housing programs have meant to this city. And that is what Senator Goldwater has voted against in the Senate the past 12 years.

GOLDWATER'S SENATE VOTING RECORD ON HOUSING

1954 Voted to reduce annual new starts in low-rent public housing from more than 100,000 to only 35,000.

1957 Voted against authorizing construction of an additional 200,000 low-rent public housing units per year.

1958 Voted to reduce from $1 billion to $500 million authorization for college housing loans and community planning and public works.

1959 Voted against increasing Federal grants for sewage plant construction from $50 million to $80 million.

1959 Voted against boosting urban renewal funds to $450 million a year.

1959 Voted against passage of housing act over Presidential veto.

1960 Voted against authorizing 37,000 additional public housing units.

1961 Voted to kill provisions for no-downpayment loans to public and non-profit agencies to build moderate-income rental housing.

1961 Voted to reduce authorized public housing units from 100,000 to 37,000.

1961 Voted to reduce by $700 million the authorization for urban renewal grants.

1961 Voted against President Kennedy's omnibus housing bill.

1962 Voted against establishment of a Department of Urban Affairs (by voting against bringing the proposal to the floor of the whole Senate).

1963 Voted against the Urban Mass Transportation Act.

1964 Did not vote on the Housing Act of 1964 or Urban Mass Transportation Act of 1964.

1964?

Facts POPULATION GROWTH DEMOCRAPHIC SHIFT CITY PROBLEMS

COPY

The Population Trend:

- - it is now approximately 194 million.
--- it is growing at the rate of 3 million per year presently
- - it should hit 250 million by 1980.
-- it was 150 million when I came to the Senate in 1948.
- - during my Senatorial experience, the U.S. has added more people than the population of Great Britain.

The Demographic Shift:

--the trend is to make larger and larger cities, while rural and small town America declines in population
- -by 1980 more than 75% of those 250 million people,--and more then our entire present population--will be living in giant cities.
- - these cities will largely ring the seacoasts with a string along the Great Lakes and only several other major centers. The point is, we shall be an urbanized people.

Problems developing out of this shift: (for cities)

a. Planning--they are already "overgrown and underplanned"
- -in transport
-- in water supply
-- in cleanliness of air.
-- in education
-- in slum clearance
-- to eliminate crime producing and crime sheltering centers.
-- sheer living space.

b. In urban area political control

The growing cities are politically fragmented:

- - Greater Boston has 64 governments
- -Greater Chicago has 1000 governments
- - The New York metropolitan area has 1400 governments
- - Overall, in 180 American cities there are 16,000 local governments.

Most of thse local governments have one dominating purpose-- to reject responsibility for the core area's slums, crime, poor, and costs.

- -it should be noted that some metropolitan areas cross state boundaries, e.g. there is a large one growing in the lower Delaware Valley where all of the above are compounded by jurisdictions including three states: Penna. N.J. and Delaware.

National Regional Problems--

- - heartland of America getting drained.
- - depressed areas are created, like whole region of Appalachia, and upper Great Lakes.
- -- not only rural America is left behind to become an agricultural factory. A good part of the upper Appalachian region was largely small-town industrail. This is becoming derelict.
- - economic resources and opportunities dried up in the hinterland are not being recouped in the cities.
- -- the broad-based regional, cultural, economic, sociological and political diversity of America is giving way to a monolithic urban culture that is tending to stratify in two classes: inner city poor, suburban better off; two colors in de facto segregation--again inner city colored, suburban white; and the general breakdown of small communities without gaining identity with any larger one.

- - national legislature will largely reflect urban interests and representatives will be more subject to erratic pressure from more volatile constituencies that are subject to greater tensions.

What is Needed?

- -A Federal Department of urban affairs with an Officer of Cabinet Rank.
  -- to help initiate broad programs of planning.
  -- to be a focus for coordinating and catalyzing some cooperation in the present political chaos of local governments.
- - A Regional Redevelopment program. Cities will become bigger anyway with a population growth, but both economics and sound political health require the rest of the country to grow too. Why stop with one TVA?
- - A massive assult with Federal aid on the elementary and secondary school problem in core cities.
- - Again expanded public works in housing, national and urban transportation systems.

Development of economic growth, Social Security,

HH An excellent and stimulating article you should read /B

STANFORD RESEARCH INSTITUTE

MENLO PARK, CALIFORNIA

February 6, 1964

Johnst

RECEIVED
FEB 8 - 1964

Here's material for an urban speech Plus the Liberal Party speech

Mr. William Connell
Administrative Assistant
Office of Senator Humphrey
United States Senate
Washington, D. C.

Dear Mr. Connell:

Enclosed is a copy of Mr. Stover's paper, "Old Cities and New Technologies," which he requested I send to you.

Other material related to Senator Humphrey's speech will follow.

Kind regards.

Sincerely yours,

Virginia Finley
Secretary to Mr. Stover

enclosure

Tawney Brown (a journalist in California, the state governments' efforts to assess their situation and to plan intelligently in close cooperation with industry.

STANFORD RESEARCH INSTITUTE
MENLO PARK, CALIFORNIA

OLD CITIES AND NEW TECHNOLOGIES

by

Carl F. Stover

Presented to

49th Annual Conference of the
International City Managers' Association
Denver, Colorado

October 16, 1963

OLD CITIES AND NEW TECHNOLOGIES*

by Carl F. Stover**

I am here, today, because of my respect for your profession, which has grown even greater as I have seen the quality of the ladies whom you have selected to share your lives. I am also here out of admiration for your retiring President.

One of the finest compliments I've ever heard a man paid is the assertion that he is an "effective, practically-minded idealist." This I take to mean a man who is inspired by a vision of the good, but who possesses the understanding and skill necessary for dealing with the gritty realities of the practical world--a man who is able to see the best in the future and knows how to achieve it.

The first time I heard those words ascribed to a man, at a time when I was young and impressionable, they were used by Jim Farley in introducing F.D.R. On the next occasion, they were applied to the late Louis Brownlow, whose outstanding achievements in public administration are well known to all of you here. Most recently in my hearing, they were spoken of Dwight Eisenhower. Obviously, there are great differences among these men, but all possess that same quality of dedication to noble purposes and practical wisdom in their pursuit. They reflect that combination of intelligence and character which yields greatness in men. From such greatness in men comes great times.

If there is to be striving in city managership, I can think of no better goal than the achievement of practically-minded idealism. Certainly, there is no better figure to follow than the most effective, practically-minded idealist I know in city management--Wayne Thompson.

---

* Delivered at the closing session of the 49th Annual Conference of the International City Managers' Association; Denver, Colorado, October 16, 1963.

** Director, Public Affairs Fellowship Program, Stanford University, and Senior Political Scientist, Stanford Research Institute.

I.

The building of vast new cities and the rebuilding of the old are among the most certain events of the next uncertain century. Of the many forces at work bringing this to pass, none is more fundamental than modern scientific technology. Its dynamic movement presents new urban needs and problems, making obsolete old urban forms. Its great power opens dramatic opportunities for modifying the structure and processes of urban life. The question is whether the cities that technology requires and helps us to build will afford a good home for man.

The question is not new. In the past, our cities have grown in response to technological imperatives and been constrained by the limits on technological capacity. A moment's reflection on the effects of the factory, the automobile, or the airplane will help to illustrate how pervasive technology's impact has been. Attempts at urban reform--from Hull House, to zoning, to city managership--were responses to difficulties of technological origin executed largely in a technological mode. Our urban history is a history of technology in human context; its central drama, the constant struggle to make technology the instrument and not the master of man.

At the same time, the question does have new urgency. Technology's power has grown considerably, to rival that of nature, itself. Employing it, man is not just a builder; he becomes a creator. He assumes control of his total environment and is responsible for evolution. It is now open to him to form cities that are truly places of life, freedom, and opportunity or cities that are certain to be centers of spiritual enslavement and physical death. The advisable choice is evident; the means to its realization not nearly so. Discovering them requires greater understanding of the nature of technology, cities, and man.

II.

The familiar pictures of urban life in the future age of advanced technology reveal patterns of abundance and efficiency. Material standards are high. Such disagreeable features of technological development as air pollution and traffic congestion are gone. Ugliness is replaced by beauty, confusion by order, congestion by space, noise by calm. The whole appears as a smoothly functioning system, encompassing man, and directed toward his happiness and physical well-being. A fully artificial environment, it achieves its ultimate perfection by re-integrating nature in measured amounts according to plan.

Whether we like it or not, what such pictures project could and probably will be achieved. The task is no more difficult than sending men to colonize the moon or the planets--perhaps less so. Both call upon the same scientific and engineering prowess. Demonstrating the one, as we are, assures the possibility of the other. All that is required in either case is the will to see the job done and the willingness to expend the necessary human and physical resources.

The city advanced technology makes possible will not emerge by accident, however, or as a by-product of doing other things. Its realization demands as much systematic analysis and deliberate application of scientific and engineering skill as the effort to place a man on the moon or produce a new system of weapons. The claim that defense or space research and development will yield improvements in urban living is valid only to the limited extent that all advances in science and technology add to the general store of information and skill from which alternative applications can be drawn. If those applications are to be found and made effective, they must be pursued with the same intensive ingenuity demonstrated in the defense and space efforts.

The kind of program that might be undertaken to bring the full weight of our technological capacity to bear on the city's needs and problems is not difficult to envision. These three things would be among its major elements:

1. Enlarging our understanding of the total urban system and its ecology.

   Every experienced official knows that the city is a complex living organism, whose many activities and processes are intricately entwined. Determining the exact nature of its needs and problems and inventing the means for meeting them requires comprehension of the whole. The more limited our understanding, the greater the chance that we will be ineffective in attempting to improve the city or create by our actions more problems than we resolve.

   This is particularly important when dealing with powerful technologies, requiring substantial investments of scarce resources and producing widespread secondary effects. Rachel Carson was not the first to point out that in using technology it is well to know what is actually being changed before one starts to change it. As Claude Bernard observed long ago, "True science teaches us to doubt, and in ignorance refrain." The problem is

compounded by the fact that many advanced technologies are only feasible economically or materially when introduced over a large area or in a wide range of activities.

Methods developed and employed in the effort to understand other complex phenomena should be useful in the effort to understand the total urban system. For example, the concepts and techniques of systems analysis provide a powerful analytical tool. Although it has been applied to a limited degree in the investigation of particular urban problems, it has not had the general application it deserves.

2. Identifying and analyzing particular targets of technological opportunity in the improvement of urban life.

One familiar approach to this task takes technology as its starting point and searches out opportunities for its use. A common example is the effort to find uses for the computer in urban management--a matter, incidentally, on which we have been remarkably uninventive. A second approach begins with the analysis of a particular urban problem and searches out available or new technological means for its resolution. The urban transportation problem has usually been dealt with in this way, but with little imagination. These approaches are complementary; either, if properly pursued, is likely to encompass the other.

A wide range of problems is open to this kind of analysis. It is relevant to all those in whose solution technological development is assumed vital--such things as air and water pollution, sewage and garbage disposal, transportation, slum clearance, and urban management. It can also be of benefit in dealing with a variety of matters generally deemed non-technical in nature--for example, education, welfare, civil rights, and the care of the aged. In this context, it is important to remember that modern technology is not only physical but social, that many of its frontiers are found in the engineering of complex man-machine systems, and that some of its most valuable contributions stem not from what it permits us to do, but from what it enables us to understand.

3. Developing, experimenting with, and implementing new urban technologies.

In many respects, this is the heart of the endeavor. From a more systematic understanding of the urban situation and technology's relevance to it, particular research and development opportunities will emerge. These must be executed and their results tested. Most important of all, their final products must be utilized in particular situations. These are complex tasks whose cost will be high, but probably no higher than the costs of comparable efforts in national defense over the past quarter century. Their promise for enlarging human well-being is incomparably greater.

The kind of program I am suggesting cannot be done piecemeal, in a short time, with a small investment. It entails an ordered, long-term national effort involving public agencies at all levels of government and the private sector. What is called for is nothing less than the extension of the government-industry partnership that has developed to serve the needs of national defense to the work of creating a new urban America.

In the growing relaxation of international tensions may lie the opportunity to answer that call. The question is whether we will respond with sufficient imagination and courage. Here are some of the things that need to be done.

First, industry, itself, should turn its attention to the research and development necessary to find new opportunities for meeting the city's needs and resolving its problems. In a manner characteristic of private enterprise at its best, it should make a substantial investment in pioneering one of its greatest potential future markets.

State and local governments should also contribute, by helping to identify likely targets of opportunity and working to enlist industrial interest in them. There is no reason, for example, why a state, city, or county government--or a consortium of them--could not let research and development contracts with industry on urban problems in a manner similar to that employed by the federal government in defense, space, and other programs.

The national government's role is important, too. It should provide both leadership and funds to help bring state and local government and industry to focus on the application of new technologies to urban needs.

However, it is desirable that much of the initiative and leadership be left in local hands, following the model of current urban renewal, manpower retraining, and area redevelopment programs.

Getting under way with programs to improve urban technology is an urgent need, not just for the well-being of the city, but also for that of the economy. Our dependence on defense spending to sustain economic growth is well known. As defense spending diminishes, and it surely will, a new growth market must be found for the resources that will be freed. What better investment opportunity than man's cities, which are his life!

III.

In offering these recommendations, my plea is not that we turn the cities over to technology, but that we use technology to build the cities we want.

The readiness of many to accept the kind of city technology projects reveals the extent of their commitment to the fulfillment of man's purposes by technological means. This is not to say that they are consciously committed to technology as an end in itself, but only that they seem convinced of technology's ability to enable us better to pursue all ends. It is not that they believe technology the sole answer to our problems, but that every problem has some technological solution. Such notions deserve examination.

Technology, properly understood, is the use of knowledge to produce predictable changes in men and things in order to provide instrumentalities for the good life. Its dangers flow from man's failure to hold it to its proper place. In the absence of ideas of the good life to govern it, technology's ends consume all others.

Technology has always given us the city. It will continue to do so. Yet its power and versatility having grown considerably, technology now offers us a wider choice of more effective means for creating the city as it should be. We must discover what kind of city that is and thus establish the standards for governing man's technological pursuit of his urban future.

Many of the most important trends of our time are ambiguous. They raise questions about the future that are of undoubted significance, but without definite answers. The answers cannot be based on the pseudoculture of science or drawn from a computer system. Yet there is a valid

conviction that if we could find the answers, technology would help us gain the future we want.

We are told by an old Egyptian scribe that when cities were first founded, the mission of the founder was to "put the gods in their shrines." The task before us now is no different. To order the city is to order the world, to set the course of civilization, to shape the future of man. These are urgent political questions in our time. They must not be decided by default. In an age of rapid technological change, we must gain control of our destiny.

The problem of what the city should be and how technology is to be used to create it should occupy us in our communities, our professional associations, and our urban research centers. All should be engaged in a great dialogue about the city of the future and the means to its realization. All should pursue that act of thought which will provide the new intellectual form for all our urban acts.

No one has seen the problems of the city more clearly nor pondered its mission more deeply than Lewis Mumford. "The final mission of the city," he writes:

> "is to further man's conscious participation in the cosmic and the historic process. Through its own complex and enduring structure, the city vastly augments man's ability to interpret these processes and take an active, formative part in them, so that every phase of the drama it stages shall have, to the highest degree possible, the illumination of consciousness, the stamp of purpose, the color of love. That magnification of all the dimensions of life, through emotional communion, rational communication, technological mastery, and above all, dramatic representation, has been the supreme office of the city in history. And it remains the chief reason for the city's continued existence."

No exact formula is possible for the city that can fulfill this mission, just as there is no formula for the rich complexity of life. Neither can be finally set; both must be eternally pursued. The rationalism of technology projects its own perfect city. The first principle for governing technology may well be the recognition that the city of man is never perfect.

Cities
S.D.
File

SYMPOSIUM ON URBAN RENEWAL

Ponti Auditorium

Time & Life Building

New York, New York

May 7, 1964

- - - - - -

ANDREW HEISKELL, Chairman of the Board, Time Inc.

P. I. PRENTICE, Vice President, Time Inc.

GURNEY BRECKENFELD, Managing Editor, House & Home

PETER BLAKE, Managing Editor, Architectural Forum

M. JUSTIN HERMAN, Exective Director, San Francisco Redevelopment Agency

BURNHAM KELLY, Dean, School of Architecture, Cornell University

JAMES E. LASH, Executive Vice President, ACTION, Inc.

JAMES W. ROUSE, President, James W. Rouse & Co., Baltimore

VINCENT J. SCULLY, Professor of Art History, Yale University

LOUIS WINNICK, Associate Director, Public Affairs Program, The Ford Foundation

MR. HEISKELL: Ladies and Gentlemen, this seems to be as good a time as any to take a look at the city and what's happening to it. There are a couple of reasons. One is that in fact quite a lot of things have happened in the last ten years -- some good, some bad. Secondly, the answers are not all in and may not be in for quite a while. But we'll have a chance here today to listen to some of the answers and to discuss them.

I've been involved in this field for about ten years now. I've also been involved in Latin American affairs for about ten years, and I'm beginning to see certain resemblances between the two.

We have some really top-notch experts in the field with us today, and we're very grateful to them for coming. I'd like to ask them to rise just so you will know who they are when they begin talking.

Jim Rouse, an old friend of mine, past president of ACTION, mortgage banker, developer, just picked up 14,000 acres of land somewhere between Baltimore and Washington, where he is going to create a city of some 150,000.

Justin Herman of San Francisco, in charge of the Redevelopment Agency.

Dr. Louis Winnick, from the Ford Foundation, former associate in ACTION.

Jim Lash, Executive Vice President of ACTION.

Dean Burnham Kelly of the School of Architecture at Cornell, grandson, I believe, of Daniel Burnham.

Our own Perry Prentice.

Professor Vincent Scully of Yale.

We are going to start off the program with two house experts in this field, Peter Blake of Forum, and Gurney Breckenfeld, of House & Home.

Peter, you're on.

MR. BLAKE: The American city in the 1960's is in deep trouble. Here in capsule form are some of the reasons.

This is a map of the U.S. showing that something like 75 percent of us now live in about 15 to 20 gigantic super-cities. One of these super-cities, or urban regions, stretches almost uninterrupted from Boston to Washington, D.C. It now contains some 40-million people.

Another of these super-cities with about 30-million people extends uninterrupted from Buffalo to Milwaukee, taking in a few villages like Detroit, Chicago and Cleveland on the way.

While the cities and their problems have become regional, there is practically no planning on any regional basis or on any other rational basis because administration of our gigantic urban regions remains hopelessly fragmented.

Here is a map showing all the proud, sovereign little cities that make up Los Angeles County alone. The result, of course, is that the County is being planned the way the Marx Brothers, in their prime, might have planned it. And one result of <u>that</u> is that Los Angeles today devotes 70 percent of its urban land to facilities that cater to the automobile.

There is nothing wrong with the automobile, regardless of what some planners say. But there's an awful lot that is wrong with the facilities we plan and build for it. This piece of highway spaghetti will be completed on the approaches to St. Louis in 1966. It is a considered and apparently serious proposal of ways of getting to meet <u>someone</u> in St. Louis -- possibly another car.

Such highways are planned at state level, often without reference

to or collaboration with localities. The highway planner's responsibility ends at the foot of the exit ramp. After that -- chaos! Yet no other construction effort shapes our cities as dramatically, and often as excitingly, as do our highways.

Other things and other factors shape our cities almost as dramatically, perhaps not always as excitingly. Fantastic land costs shape our cities by turning gracious streets like Park Avenue into bottlenecks like this one and then plugging up those bottlenecks -- but good!

Tax policies shape our cities by encouraging builders of this sort of junk, and penalizing builders of something infinitely better.

And red tape at various government levels shapes our cities, too, by making it easy to build this sort of thing, and exceedingly tough and time-consuming to build something like this -- or possibly like this.

Finally, official vandalism shapes our cities, for in place of the symbols of civic pride that once graced our public squares, our city fathers now erect symbols of collective something -- maybe collective guilt -- like this 50-foot high trash basket in the center of Times Square, placed there, symbolically, by our friendly Department of Sanitation. And then we wonder why there is so much vandalism among the young!

But above all, it is the cancer of decay, the cancer of slums, that has shaped and disfigured our cities for a century and more.

Gurney --

MR. BRECKENFELD: Well, slums have been the target of housing reformers in the U.S. for nearly a century, yet today the slums are physically bigger geographically and some of them are almost as bad as they were in 1888, when Jacob Riis took this famous picture of New York's lower East Side.

The idea that government could use its constitutional authority to promote the general welfare for the forcible renewal of blighted real estate got into Federal law 27 years ago. It came via public housing in 1937. Slum clearance was tied into public housing to justify condemnation of privately-held land. But it wasn't until the Housing Act of 1949 that Congress created a separation between slum clearance and public housing and set up a division to handle it, which we know as the Urban Renewal Administration.

The formula then, as now, was to buy up slumlords' property at the market price, a price which indeed is often inflated by his very use of the land, then tear down the slums and resell the ground to somebody else who would rebuild the area according to local planners' ideas of how it should be redeveloped -- sometimes plain, sometimes fancy, more often a mixture which looks like this and is having rental troubles.

Now, it was clear to Congress that somebody would have to subsidize the gap between the cost of acquiring blighted property at its market price and the much lower price which a redeveloper could afford to pay for it and still build at a profit. You see, blighted real estate in this country is almost invariably taxed lightly, which means it is priced dearly. Why? It's an economic axiom that all property is worth the difference between its anticipated cost and its anticipated income, capitalized. Well, the Federal Government decided to offer to pay two-thirds of this land write-down cost if localities put up the other third in cash or in construction of public facilities and programs.

Urban renewal took hold at a snail's pace. Indeed, all programs in Federal housing do. Urban renewal has a longer gestation time than most.

The red on the slide there refers to projects under way, cumulatively, and the tiny yellow pieces at the top refer to projects which have been finished and final Federal payment made.

It was 1956 before the first project was finished. It was 1958 before the first 1300 acres of cleared land had been resold to developers. It was 1960 before urban renewal had demolished as much as 100,000 slum-dwelling units. Meanwhile, even before there was much result, the program was reshaped in two big ways by the Housing Act of 1954.

The first and most important thing it did was to broaden the concept from bulldozers only in the '49 Act to what we have today, which is a triple-barreled program of clearance and redevelopment, rehabilitation and conservation of what is old but perhaps salvageable without displacement. It named this bigger idea urban renewal, a coinage adapted from economist Miles Colean's penetrating 1953 book, "Renewing Our Cities", which impressed on the shapers of policy, of whom Jim Rouse is one, the truth that all these methods are at work naturally, as indeed they are in our very neighborhood. Indeed, this very building is an example. It gave them hope that they might be speeded by the stimulus of subsidy.

The second thing the '54 Act did was to make it law that Uncle Sam's millions should go only to cities which also use their own considerable powers to fight slums themselves. The method: To be eligible for urban renewal grants and more public-housing units, cities must be certified by the HHFA as having workable programs to attack existing slums and prevent the growth of new ones. Since 1954, almost every Housing administrator, who is charged by law with annually reviewing and approving these city pledges, has admitted some cities aren't doing what they say, especially in failing

to enforce housing codes against existing slums, which is a step that calls for tough action: like that. For a decade critics have correctly complained that HHFA has credited cities with workable programs and qualified them for renewal and public housing subsidies when in fact their programs didn't work at all. New York, of course, is the most flagrant example.

Up to now urban renewal has committed $3.7 million of U.S. aid to clear away or fix up urban slums. All this and 14 years of trying have made only a small dent in the problem. As the late President Kennedy noted, about 14-million families, a quarter of the nation, are still ill-housed, and that's true in spite of the dramatic improvement in housing conditions during the last decade. Nobody has precisely calculated how many millions more it would take to rebuild U.S. cities with Federal grants, but the cost clearly would be so astronomical that only disarmament that might follow an end to the cold war could make it financially possible at any time soon.

Moreover, as you, I'm sure, read more and more about it in the papers and magazines, urban renewal is a program in trouble -- troubles that result, some of them, paradoxically from its own considerable achievements. By the end of 1962, Federally subsidized renewal had resulted in demolition of 13,000 acres of blighted neighborhoods in 621 cities. Gone were some 218,000 units of unfit housing, along with some that were perfectly sound but stood in the way of replanning, like the 24-story office building at Columbus Circle that Bob Moses tore down to build the Coliseum. In their place have risen more than $8 billion worth of largely gleaming new apartments like this, or this one in Pittsburgh, or like this one in East Hills, plus offices, factories, government buildings, other public facilities which go to make up the rainbow of urban renewal. But this process has not been

painless. More than 148,000 urban families have been uprooted by the bulldozers.

And renewal is in political trouble over relocation, as evidenced, for instance, by this protest in Boston. It's in real estate trouble over finding sponsors to take about eight square miles of cleared rubble off its hands, as for instance in Braddock, Pennsylvania, where the weeds are more visible to voters than the project sign. Local authorities today are the unhappy owners of about 6,500 acres of cleared but unreconstructed former slum land. That's about a third of what the urban renewal authorities have taken over for redevelopment. Buffalo found only one qualified bidder when it offered 67 acres for apartments in 1961 at 35 cents a square foot. Some cities got no bidders. They're having a lot of trouble, some of them, getting rid of that land. Even where urban renewal goes ahead, the rubble of demolition and the persistent slum image of a neighborhood, which outlasts the fact, usually gives redevelopers trouble filling up their units for a year or two, as here at Eastwick in Pennsylvania -- architectural aside, ugh! -- and here out in California, in Marin County. Many times FHA has had to agree to let sponsors postpone paying amortization on their loans while they fill up.

As Professor James Wilson of Harvard has said, "Most renewal areas are low income, often Negro sections. Political and social problems involved in relocating Negroes in other areas in the city are sufficiently formidable to make opposition to the renewal program as a whole very powerful." Mayors have tried to cope with this. Richard Daley of Chicago, for instance, announced last year that he's abandoning the name "Urban Renewal" altogether and that henceforth Chicago projects will be called community improvement projects.

Now, in part, this is a sop to the Negro cry that slum clearance has become Negro clearance. But it also points up the growing racial cleavage within cities, which is one of the city's really tough problems. The proportion of non-whites in U.S. central cities rose from about 39 to 51 percent in the last decade, while the proportion of whites in suburbs grew. The Negro percentage in schools looms even bigger. It seems to me that it may very well be that the school population is the more relevant measure of whether middle-class whites will choose to stay or flee from their in-town abodes.

Indeed, population experts like Phil Hauser of the University of Chicago contend that today's wave of largely Negro migration from rural to urban centers is the crucial domestic problem. He argues that it has now reached the stage where it begins to threaten orderly economic and social development.

Now, to this disillusionment of Negroes and liberals has been added the shrill cries of right-wing politicians -- a strange alliance. Representative John Dowdy writes of "the mounting scandal of urban renewal," a scandal which largely revolves around whether Cleveland unfairly classified 84 buildings as hazardous when they perhaps were, in truth, perfectly sound. Representative Bruce Alger of Texas has complained that renewal "is a political weapon which threatens to end local self-government." How? Well, he says it's "an attempt by liberals, using the taxpayers' money, to reduce their opposition to ineffectiveness by buying off large sections of the business community." It seems to me the Philadelphia Bulletin put it more deftly in an editorial a couple of years ago when it said: "The beauty of urban renewal by massive Federal aid lies in its convenience to local

politicians and officials. The taxing is done from Washington; the good works are fashioned at city hall."

Be that as it may, the Federal adventure in urban renewal has opened a whole Pandora's box of problems -- not only physical ones like transit, schools and planning, but people problems like crime, juvenile delinquency, alcoholism, drug addiction, poverty, disease, illiteracy, unemployment and broken families.

The pursuit of urban renewal is also making it clear to some of us -- this is, of course, still pretty controversial -- that unless we first take the profit out of slums and their creation, renewal under its present formula will probably remain confined to piecemeal thrusts at slum pockets. New York City alone might need every cent of the $2.5 billion Congress added to URA's grant authorization two years ago just to reclaim its 7,000 acres of blight and decay. Why? Well, for one thing, New York's slum prices are so inflated by overcrowding and undertaxation that redevelopment land has cost an average of over $480,000 an acre.

Urban renewal is also uncovering a need for broad new policies, Federal, regional and, I guess, local, involving land and land use. Historically, the Federal Government's policy has been that we have so much land, come and take it off our hands. And locally we are now leaning toward physical controls like zoning and subdivision regulation. But they're proving weak reeds indeed. We get ticky-tacky anyway. And, of course, why? Well, first, they're usually applied too little and too late. Second, they're often misused to prevent better land uses like cluster development, which cuts costs and so yields more house for less money while preserving green space and recreation areas big enough to actually play in instead of just

mow the grass. In New Jersey this cluster plan proved so good that the town threw it out. The town was afraid it would attract too many other developers and spoil the town. To build what promises to be the best of tomorrow's developments, satellite towns, developers have to go out to where land-use controls are usually pretty close to nonexistent.

Of course, the third trouble about today's land-use controls is that they do nothing about the central difficulty of land-price inflation, which I say is now the biggest and most threatening price inflation on the American and, indeed, the world scene. FHA says that the average cost of developed lots under new houses has risen 57 percent since 1956. Construction costs for the same houses are up 13 percent. So as things stand now, land-price inflation enriches the rich at everybody else's expense and invites more and more political intervention in housing, encourages urban sprawl with all its costly wastes. The Regional Plan Association has calculated that if the New York metropolitan area grows at its present density until 1985 it will cost taxpayers $16,000 a household to build the streets and schools and pipelines to let the added families sprawl all over the place, like that. Good old urban sprawl.

Of course, as Peter said, we aren't really doing any comprehensive land planning in our urban areas. What we have is a complex game of chess among localities with each trying to palm off the undesired applicants for space on their neighbors. That's warfare, not planning. Most states are too far away from the problem to care. Localities lack the powers and imagination to cope. What we may get is an Orwellian kind of Federal big brother intervention, but what we really need, it seems to me, is some kind of regional authority, a land-use arbiter bigger than a breadbox and smaller than an elephant.

Now, a final word from Peter.

MR. BLAKE: This split between center-city and suburb, of which Gurney spoke, is most clearly shown in the universal transportation crisis. In a nutshell, that crisis works something like this: Suburbanites have cars anyway. They want to go downtown to work and so they want fast and big highways to get them there, and lots of cheap parking space, like this, once they get there.

In other words, the suburbanite's dream of center-city is a place that is asphalted over from one end to the other, with a couple of office buildings stuck in the middle of the asphalt wasteland. The suburbanite might, just possibly, be willing to pay for a part of all that asphalt.

The urbanite, of course, who has to live in the middle of the suburbanite's dream parking lot, wants him to pay for compact and efficient mass-transit instead. The result is a nationwide impasse. In a special issue devoted to the city of Boston, Architectural Forum next month will say, in part: "While the city presses the state for better transit and more money to pay for it, the suburbs seem to figure that more and better highways will do the job. Either way, the city gets stuck with the bill. For when the state builds more highways into the city, it simultaneously refuses authorization for city bond issues to build parking garages."

See next month's issue of Forum for the rest of this exciting drama.

Perhaps the urban problem can best be summed up like this: Unless we find ways of planning at the same scale at which we build, we cannot hope to save center-city. Parts of it are going under now, right before our eyes.

In witnessing this decline of center-city, we may be witnessing the decline of much of civilization itself. In the past, the city has been, almost by definition, the source of all civilizations of any consequence. If that source dries up, civilization itself may decline.

Two weeks ago Barbara Ward wrote about the desperate plight of the world's cities in The New York Times, and she summed up with these words: "Resources are not the problem. It is the shaping imagination, the liberating idea."

To help provide the shaping imagination and the liberating idea -- that is why you are here today.

Thank you.

MR. HEISKELL: Thank you, Peter; thank you, Gurney.

Next we have Mr. James Rouse.

MR. ROUSE: This is a very difficult day for those of us who have been working on the problems of the city for a good part of our working lives. We are aware of the size of the city's problems and aware of the opportunity that is available to us today to communicate something of this to the nation's leading communicators. I'm sure each of us is also extremely aware of our own limitations in being able to do it.

The real problem we face is one of perspective. The city can be looked at with many different spotlights, and it comes out so differently, depending upon the platform of the viewer. It's been estimated that over the next 20 years we'll add 70 million people to American population, and that virtually all of that population will be added to the major American cities. By 1980, 80 percent of the population of the United States will live in our 180 major metropolitan areas. In 1940, 40 percent of our people

lived in those same metropolitan areas. Thus, in our time we will have seen our nation transformed from a country whose heritage is deep in the farms and small towns of the country into an essentially urban civilization.

The values, the aspirations, the attitudes that will mark our country now and in the future will be spawned and nourished largely in the American city. What prospect does this hold for our civilization? Not a very encouraging one if you look at our cities today and the sum total of what we are able to do about them. Almost everywhere we turn there is enormous evidence that our cities are oppressively out of scale with people. Slum,blight, deterioration, disorder, congestion, ugliness, sprawl, crime waves, unmanageable juvenile gangs, slipping morality, increasing neuroses, loneliness, bewilderment -- with increasing force and frequency these have become the hallmarks of the city.

Barbara Ward summed up the problem on an international basis in the article which was distributed to you: The bigger the city gets, the more unmanageable its problems seem to be and the more difficult the task of creating a viable soil for the growth of a civilization.

And if we think it's bad today -- look ahead a little bit; the problem becomes even more overwhelming. California has noted the fact that by 1980 half of the houses in that state will have been built between now and then. Los Angeles will be twice its present size, and so will San Francisco. New York, Chicago, Baltimore will be 50 percent bigger than they are today. Baltimore has added a city bigger than Denver or Atlanta in the last 20 years, and will add a city bigger than Houston in the next 20 years. And in that same period, Washington, 35 miles away, will be adding a city bigger than Baltimore.

We are faced with the fact of ugly slums, massive deterioration, gigantic sprawl, and overwhelming growth. Yet, there is not one single city in the United States that has plans either prepared or in process to deal, in an orderly way, with that growth and to accommodate it within communities that will put to work the knowledge we have gained about community planning. Nor does any city in the United States have a comprehensive plan for reorganizing and redoing its old city into effective places for people to live, work, and raise families.

I'm not overstating the problem. A strong case can be made for the fact that the future of our civilization depends upon the kinds of cities we unfold. Yet today we are wretchedly unprepared throughout the United States in capacity and in attitude towards the problem -- in our expectancy about our cities. We are not yet making a serious effort in America to put our working knowledge to the task of making our cities fit the real needs and legitimate hopes of our people.

Planning in America is simply running to catch up with the next project. This was beautifully described in Wolf von Eckardt's pamphlet on pages 36 to 39. The pressure to build highways is producing most of the planning in America. The highways are going to be built and the planners are rushing to produce plans that will accommodate them within the framework of the metropolitan areas.

Urban renewal as a program consists largely of a cautious, timid effort to clear out patches of the worst slums wherever they may be and to rebuild something new and better in their place. But there is no comprehensive examination of what we want to do in the city and how we want to do it. How would an expressway system work in best relationship to places of business,

industry, and residence? How do you separate people from automobiles? How do you create open spaces in which people can walk, relax, contemplate? How do you provide adequate recreation for children? How do you provide for a decent school system? How do you create and protect clean, livable, decent neighborhoods?

Taking these kinds of questions and putting the answers to work in a comprehensive plan for a city would seem to be a minimum beginning point. But these questions aren't being asked and the right kinds of plans, therefore, aren't unfolding. We are planning projects, we are planning highways, we are planning for public buildings, for transportation, for open spaces, and then we fit the people hopefully into what results from the individual projects. I have never seen a planning or urban renewal report that proceeded from an inquiry as to what really might work well for people. The discussion, the reports, the recommendations, the plans deal with buildings, spaces, automobiles. The people are a residual of the plan, not its purpose.

I served as a member of an advisory committee for a Community Renewal Plan for a New England city. Studies were going to be made of the central business district and the industrial base and the condition of housing. I asked if there were going to be any study made as to the kind of city the people might like it to be, but no such study was contemplated nor is being made. I asked what was going to happen to the waterfront, was anybody going to stop and consider whether this should really be developed as a port to promote the city as an industrial city or should it be developed into a lovely waterfront that might help make the city into the finest university town in New England. This question will not be faced in the

development of the plan for this City and, therefore, the plan will proceed without an answer.

I was asked to comment on the conflicts that are in our city today and how they might best be resolved. As Gurney was going through his slides, I kept adding conflicts. I've got so many now that I could hardly enumerate them.

The esthetic criticism that's in Wolf von Eckardt's paper, the social criticism that was usefully overstated in Jane Jacob's book, the criticism of the uprooted who don't want to move (the "to hell with urban renewal" sign that you saw), the criticism of the Negro who says that it's Negro renewal rather than urban renewal, the conflict brought about by the militant right that finds some subversive influence behind urban renewal -- every single one of the issues in these conflicts would be resolved and only resolved by a comprehensive examination of the real, underlying problems of the city and the development of plans that dealt with those problems one by one; that really solved them in the most thoughtful, imaginative, and resourceful way of which we are capable; that reduced these solutions to a comprehensive plan and backed up the plan with a program for its execution over X years.

Here we are a nation which is unfolding one miracle of production after another, which has enormous capacity to take a tough problem, put our best knowledge to work on it, discover materials, develop them, manufacture the product, test it, make corrections, start again, and then unfold a production line, yet we stand wringing our hands helplessly disorganized before the problems of the city, not really trying to put to work the knowledge that is readily available to us, not trying to develop the kinds

of comprehensive plans and programs that would produce the cities of which our knowledge and skill are capable.

Time, Life, and the daily newspapers are filled with reports on the problems of our times, of the juvenile gangs, teenage dropouts, of divorce and suicide, of lonely people, and emotionally crippled children. What would a look at these problems say to planners, designers, and public officials who attempted to relieve the problems of an urban society by unfolding of the best possible urban environment? There is absolutely no dialogue in the United States today between the people who have developed knowledge about people -- the teachers, the ministers, psychiatrists, sociologists -- and the people who are planning and designing our cities. There is no attempt to unfold plans in our outlying areas or in our inner cities that are designed to meet the real needs of our civilization. We just plan for projects -- and in pieces. Doesn't it make sense that there should be some feedback from the teachers, the ministers, the psychiatrists, and the sociologists that would be important to the people who are planning the city? And if they really sought this feedback and then responded to it, they would begin to generate plans that attempted to provide solutions to the problems and needs of people. If we really were asking the right questions, we'd begin to get the right answers.

I close this with a note about a personal experience of ours that may be relevant to this discussion. Gurney and Andrew mentioned that we had acquired a large tract of land between Baltimore and Washington to develop a new city of 150,000 people, and we have. In approaching the plan for this city, we are doing the things that should be done regarding the physical condition of the land; we are recording the topography, the stream valleys,

the forests, the roads, the vistas, the fine buildings and overlaying these notes one on another and seeing how this knowledge influences and disciplines the plan. Any decent respect for the landscape must influence the plan.

But shouldn't there also be a decent respect for human beings in the development of a community plan? We thought so when we commenced our planning last November, so we called together a work group of 14 people: psychologists, social scientists, sociologists, educators, a psychiatrist, a city manager, a recreationist; and we had them meet with us as a group every two weeks for two days and a night from last October until this February, examining questions about people -- such questions as these:

1. Is the mixing of people economically, culturally, racially within a community important to individual growth? If not, what then? If so, then in what manner; and in communities of what size might it be done and how might this target influence the plan?

2. Is individual participation in and responsibility for a community an important objective? Why or why not? What is the minimum-size group which really draws a person into a sense of community? What is the maximum-size group beyond which the individual's sense of responsibility becomes so diluted that he no longer feels true responsibility or participation?

3. What kind of neighborhood or community makes an individual feel secure, comfortable and important? What does such a neighborhood include in facilities and institutions? Do individuals belong to a number of overlapping communities? What are they? How do they affect his growth? How should they be planned for or against?

4. Do community health and activity centers help to discover physical and emotional disorders early and make them more correctable? If so, how

should they be planned for? If not, what alternatives are there for discovering and relieving physical and emotional disorders? How should these alternatives fit into physical planning?

5. What is the effect on children of increasingly high educational standards? How do you focus on the development of individual talents and capacities and develop stable, emotionally secure, tolerant, loving people? How do these tasks influence the education and recreation programs and the facilities which support them? Do the rigid demands of increasing educational standards indicate the need for more relaxed recreation opportunities, more time for loafing, daydreaming, for solitude, for chores, for development of self-reliance and a free spirit?

6. What about the elderly? Should they be segregated in projects and communities or should communities be strengthened by encouraging their distribution through the community?

7. What should be the role of recreation in the coming world of more and more leisure time? How will we put to effective use the additional time that becomes available with shorter work weeks?

8. One of the conspicuous phenomena of our age is the speed by which man is made obsolete in his training by the pace of technological advance. How can a community have a continuing program of adult education to correct individual obsolescence as it occurs and in the meantime to move forward with the technological group?

What about the college-educated housewife, grandmother at 45? Her children have grown and left home. She is bright, educated, yearning to be important. How can this tremendous resource be put to effective use in the community? How might these considerations affect the community plan?

9. How can we make religion the most effective possible force for the growth of the people? What effect would this have on the church itself, its form, its organization, and its place in the community?

We have seriously examined these questions, not with any notion that we could come up with a utopian society. We don't kid ourselves about that. But in seeking answers -- by having planners and architects working at these answers with people who work with people, we have evolved a plan that is enormously influenced by the answers to these questions in ways that we think will make it vital and valid. Not only the physical plan but the institutions which we will seek to develop in this community will be influenced by these discussions.

Mr. Luce speaks of the multiple revolution, as reported in the Time annual report. Who is considering the impact of the multiple revolution on the American city? We aren't even close to this task yet. But we don't have much time. We are adding 70 million people to our cities in the next 20 years. If we could bring to the task of making our cities the best possible places for these 70 million people to live and work and grow families the will and the capacity that we bring to putting a man on the moon, then the American city would become a hopeful cradle for our civilization.

MR. HEISKELL: Thank you very much. You not only spoke well but within your time limit.

Now we go from Baltimore to San Francisco, where Mr. Herman has to cope with reality.

Mr. Herman.

MR. HERMAN: By the time Gurney got finished, I thought it was time for me to turn in my tattered urban renewal uniform, but I waited until I heard Jim speak and then I decided to keep it on.

It is a matter of focus, and it is a question of whether you want to look at the problem side or the accomplishment side. I'm going to give more focus to the accomplishment side than the problem side. They're both very real, but I, at least, am convinced where the net balance lies.

One area I was asked to treat is how today's program of Federal urban renewal is working as distinguished in theory and in practice. I say amazingly well. There have been slums cleared, there have been houses built, there have been land areas put to far better uses. Parking problems have been solved. Traffic circulations have been worked out effectively. There are pleasant open spaces in actual use, many buildings in pleasant environments -- all of this stemming from the Federal seed or risk-money that went into planning and against the background of a requirement that the communities establish standards for the prevention of blight. All is not perfect, but there have been great improvements.

As a former federalist who was not afraid to cut cities off from the Federal till if they didn't do their job in setting up better standards of blight prevention, I can say to you that the improvement in this field is immense. The cities that have at least the beginnings of planning today, however inadequate, the cities that have building and housing codes today, however inadequate, reflect a vast improvement compared to what existed ten to fifteen years ago.

The urban renewal program is not without its problem areas, and, despite some successes, some of the problems are really going to grow worse.

Mr. Heiskell was wise, I think, in giving you both the Barbara Ward article and the Wolf von Eckardt series and also the Slayton report. I think the first two show you the vast areas yet to be treated in terms of problems, and I think that Mr. Slayton's article shows you that there is progress and that urban renewal is a tool, however imperfect it may be, to get at some of these problems.

Redevelopment or renewal was intended, back in '49, to solve housing deficiencies of slum-dwellers. In that sense it has done a reasonably good job. Some 80 percent of the families who have been caught up in the renewal net are in decent housing. Unfortunately, the emphasis was primarily on the objective alone and insufficiently on the range of tools that are necessary to do a good job. The problems of the poor, the moderate-income, the minority, the aged, the handicapped, the socially troubled or unadjusted -- these problems somehow were not in focus in the early days of the program, but they are becoming more sharply in focus as this program is experienced in city after city.

The 1949 Act did speak of a decent home in a suitable environment for every American family. It was an act that was approved, I believe, by several votes in the House. Regardless of this slim margin, it has been the law of the land and is a good one.

In '49 there was, of course, a background of the public housing program enacted some 12 years earlier. How householders would be re-established was not too clear. On the trickle-down theory, poor people could move into other housing, presumably available. There were gradually enacted new FHA insurance programs, new government financing programs and, as Gurney has told you, in 1954 there was the conservation-and-rehabilitation objective established in the basic law.

These concepts are very good, but we have had a very difficult time accommodating in good housing the "handicapped" of our cities, with or without urban renewal, but we are having a more difficult time in accommodating them and ourselves to urban life without urban renewal than with it.

There is roughly a 12-year gap, perhaps longer, between the establishment in this field of a concept or a goal and the provision of the necessary tools for its achievement. Although in 1949 we had this wonderful ideal established, it was not until 1961 that we had low-interest loans and mortgages and a scheme for reducing the price of land as devices to bring down the cost of housing. It is not until this 1964, if we get legislation, that we may have other tools of rent supplements, better rehabilitation aids and a more liberal, imaginative public housing program.

There has not yet been an adequate facing-up to certain mechanics in the process. It is a fact that we must put high-rise housing, aided by low-interest mortgage funds, in our central cities because of the densities that are crowding in on us.

There is no willingness yet on the part of the Federal Government, or the Congress, to recognize that it is one thing to talk about rehabilitating the mass of housing in our communities and it is another thing to provide a financing program that is adequate for the job. The present ones we have are not adequate.

We need low-interest, flexible rehabilitation loans. We have gaps not only in the tools for the provision of shelter but we have these gaps in meeting the social problems that have already been mentioned by each speaker here this morning.

I maintain that renewal causes a certain social disrobing. The poor, uneducated, the aged, the bitter minorities are exposed in this process to society. Their structures are brought down but their problems do not go away. They must be met. Just as the Selective Service System shocked all of us by telling us how unhealthy, how uneducated, and how socially inept so many of our young men in this country are, the urban renewal process lays bare the bitter social problems that somehow we have wanted to sweep under the rug. The Federal renewal aid program has assumed that the social problem is a local problem. It has been very reluctant, for understandable reasons, for taking a stronger hold, for providing more aid, and for providing more sophisticated forms of aid.

The issue is: Who shall tend to this problem? I myself think that one way or another the Federal Government and the state governments must take a stronger part than they have ever before. Poverty is not local, poverty is national, poverty moves among the states, in and out of the cities.

One other aspect of the difference between how urban renewal works in theory and practice is that we find it more dynamic than it was originally conceived. At the outset it was thought that urban renewal was a process involved in first planning and then execution; with the sale of land the job was done. Instead we find the planning continues throughout the entire process.

Planning ought to be much looser at the outset and it works better when it is. Planning continues through many stages of execution in the sense that it can draw upon the resources and the imagination of people who come to use the land, the developers, the entrepreneurs, the critics and

the editors. Urban renewal can use brick and mortar illustrations in the planning process (I know this is radical), demonstrating what the execution phase will provide.

There is much concern -- and Gurney touched upon it -- as to whether urban renewal is suddenly dumping open, unused land upon communities. Some people are quite concerned. I for one am not. I consider the urban renewal process as an intermediate one between the public provision of a foundation or a base and the entrepreneur's undertaking of his tasks in our kind of society.

The urban renewal agencies and organizations are midway. They are quasi-public. They are quasi-business. In the sense that they are quasi-business, they are subdividers, if you please, with a strong public purpose. No large subdivider in his right mind dumps all his land of a size he requires to create a suitable environment on the market at one time. He develops it. He creates markets for it. He promotes markets for it. He finds new uses for it. He feeds the land into the market at a rate he has been able to create an effective demand for the land. There are varying skills in this field. Some redevelopment agencies do this task well, others do not.

Although in principle the urban renewal law is based on the objective of slum removal, prevention, and clearance, the fact remains that at the community level the pressures on urban renewal are for development and not always associated with renewal. The communities need a development tool. They demand it under the pressures such as have been described here today.

You hear of the conflicts between the housers and the non-housers.

The pressures in the communities are to restore and revitalize downtown business districts, commercial areas, and industrial areas. The housers feel that perhaps the program should be restricted substantially to housing developments or clearance of residential slums. Certainly if there is such a thing as a comprehensive approach to the total community, such as Jim Rouse said there should be, the argument must go in favor of those who believe in total planning and the use of the renewal tool wherever needed rather than only in the housing field.

I have also been asked to talk about the potential in the urban renewal process for better design. At the outset, I believe cities who were engaged in urban renewal sought little more in design than the achievement of their own standards of what new buildings should look like. You can go about the country today and see the new buildings in renewal areas. They're not very different one from the other, depending upon, of course, the basic type involved.

There were a few pioneer cities that recognized that the urban renewal process was a wonderful opportunity, the chance of a lifetime to bring the values of good design to a community. Philadelphia, Washington, D.C., Hartford to some degree, my own city of San Francisco, and perhaps others made contributions in this particular field.

Now, aside from any moral ground, any esthetic ground, there is a tremendously important economic reason why those cities which are engaged in urban renewal must turn to the use of better design of structures and their settings in renewed areas. There is the great danger that all cities, sooner or later, with a few exceptions that happen to have differences of terrain, will look alike, and this awful look-alike appearance does not

give the community that is competitive and must be competitive the chance to attract new capital, the kind of industries, the kind of businesses, the kind of developments, the kind of community life that it wants. So good design becomes, in my judgment, an economic necessity in the renewal process.

I give great credit to the present administration of the urban renewal program in Washington for the stimulation, the guidance, the financing without the heavy hand of governmental control in this field. It has encouraged cities to establish design objectives in their plans. It has agreed that they should procure professional guidance and consultants. It has encouraged competitions of various types. It has even done something which is almost unheard of in the American governmental scene: it has said to communities that, in disposing of land, it is not essential that they take the high dollar: they may take the high design. In a group such as this, such a policy may not seem unusual, but it is radical in most communities.

Even in the field of moderate-priced housing (middle-income housing) or low-priced housing, where the objective to bring costs down may mean a weakening of design considerations, the administration has taken the position that design is important. Staffs have been provided for the architectural guidance of rehabilitation work. Cold cash has been allowed for mosaic pools, walks, viewing areas, lighting, railings and, working through a rather complicated formula system, credits even for murals and statuary. This is something unheard of in the American scene on a national scale ten years ago.

Most important, I have found -- and I happen to be rather close

to this myself -- an atmosphere wherein exploration and experimentation have been encouraged and supported, even against criticism. This is something that we do not expect from governmental programs, and I think that it warrants our support and encouragement. We have learned in this process that we can tap the resources of developers in their design interests by not freezing designs too early but by allowing the marketplace and the marketing process bring to us design ideas. I keep telling my own staff that our objective is diversity, diversity, diversity.

Now, on my assignment of coping with racial and political heckling, much already has been said this morning and I will be brief in my remarks. It is correct to say that urban renewal is under attack from both the right and the left. In some ways I find the attacks are complimentary. The program has impact. It means for many persons involuntary change. And who among us is happy with involuntary change? Of course, there are mistakes and there will be many more mistakes. The way to have no mistakes is to do nothing.

The attack from the right comes from the United States Chamber of Commerce, some Congressmen, and some of our John Birch friends. The program is said to be scandalous, wasteful, graft-ridden, federally-imposed boondoggling, an abuse of power, a destroyer of good buildings, a device whereby money goes to areas which need it least, a sort of a Robin Hood program in reverse! There isn't time to go into each one of these charges except that if you are interested you can go to the Congressional Record, where these charges have been examined one by one. And I must say that neither the Congressional attackers, nor the U.S. Chamber of Commerce come off very well.

The United States Conference of Mayors polled all the cities of 30,000 population or over which had urban renewal programs and asked their chambers of commerce what did they think of the urban renewal program. Seventy-five percent came back in favor, 23 percent said they had no opinion, two percent were opposed. I guess the local chambers of commerce and the U.S. Chamber are not marching in the same line!

I'm really not so much concerned about the attack from the right. It's uncomfortable at times, but there is so much evidence at the local level that urban renewal does work, that people are living well in these houses, that stores are in operation, that factories are underway I believe that the results at the community level will take care of most of these national attacks, even though it would be very pleasant to see some more analyses of these attacks from national publications.

The attacks by the minority, the liberals and the civil-rights leadership, do bother me more. For one thing, it is difficult to come to grips with some who are the leaders in this field. This is a broad problem and is not confined to urban renewal. To the charge that urban renewal falls in the most burdensome way on the poor and minorities, what else would you expect? They're the ones who inhabit our blighted areas. To the charge that urban renewal is reducing the inventory of the blighted housing of these people, the answer is yes. This is exactly what urban renewal was intended to do.

But we still have what I call the embarrassment of social disrobing in the relocation of people who have a wide range, a multitude of problems. The leadership says, in effect, "Look. You're making a great deal of money out of this program." Mr. Slayton's figures showed you had about five new

tax dollars growing where one grew before. In San Francisco it's running to 11 to 13 times that which we had in specific areas prior to the undertaking of renewal. Those who are concerned with the "dispossessed" are asking, "What are you doing for these people when such great dollar returns are being realized?" As with all problems, there is no single answer. I'm hopeful that there will be a civil rights bill that will at least bring some quiet to our national scene. Then we can get at legislation of a substantive nature.

Also, I do hope that the anti-poverty measures will be substantive and sophisticated and not political. I do hope that we will have a vigorous and new approach to housing for low-income people, including single persons and aged persons, well beyond the present scope of the present public housing program.

In addition to action, we need time to ride out the present civil rights storm. At local levels I find we have a tremendous educational job. Candor is needed. I tell the public and local political leaders the facts of life about their communities. I try to do this with all the resources at my command. Sometimes this backfires. I find irate people quoting back to our agency the information we published in order to excite an interest in these problems.

We also try, with an exposition of issues, problems and possible solutions, to make "friends" -- and I put that in quotes -- long before we need these friends -- long before the crises arise. We spend much of our time with editors, publicists, TV, radio, press people.

And we do something else: we endeavor to tell our community leaders, our political leaders as well as our civic leaders, that this basic

responsibility of making a better city belongs to them. It cannot be tackled by small groups here and there, or by a single agency. It is a universal total city problem.

In my own city we have convinced our mayor that he must have a total housing program for his city, that he must work for this at his local level, at the state level, where there are great deficiencies, and at the Federal level. He must gather support at all levels to get that job done.

One thing we do, and I put this negatively, is to avoid monolithic solutions. I don't think that urban renewal alone will make our cities over. It will help. Many other programs of education, social and cultural aids, economic stimulation, etc. are needed.

I find one very encouraging reaction in my own community: Our bitterest enemies are not opposed to urban renewal. They want it to do more for them. They want it to do a bigger and better job, sometimes a job of different social orientation.

I would like to leave this message with you: that of all the new tools that have been developed in the last two decades in this country for meeting urban problems, there is no better one, with all its limitations, than that of urban renewal.

Thank you.

MR. HEISKELL: And now we turn to the economic field, Dr. Louis Winnick. After that there will be questions and, hopefully, answers.

MR. WINNICK: I've been asked to shorten the gaze of this group a bit from the landscape to the foreground. It's just as well. I feel a bit more comfortable talking about some specific aspects of the economic questions of urban renewal than about some of the larger philosophical

problems raised about planning urban, suburban, regional.

There is a tendency, I suppose because of our moral upbringing, always to paint pictures of heaven and hell. We have had a picture painted about some hell that will face this country if we fail to do something -- called regional planning. Nobody is quite sure what the content of regional planning is. There are some who question whether it has any content. But there is no question that what makes planning so uncertain is it is -- and has to be -- at bottom a political process.

Planning involves, if it means anything, the resolution of conflict. This is something a planner is particularly adept at doing. If you want to have a nice transportation system, with mass transit shooting out to the suburbs, this is fine. It may cut down on the use of the automobile. But the more successful you are in doing that, the worse the fate of the city, because we have known from decades of experience now that what makes a mass transit system work is mass development on the other side, and mass development comes about not through random migration, but by selective migration of middle-class white families with young kids.

The planner is trying to save the city by lessening traffic congestion but at the same time creating a vacuum in the middle. Good planning is the resolution of such conflict.

Let me come back to my own subject -- the economics of urban renewal -- which is a plenty big subject. Let's start off with a couple of themes. One is that all urban renewal -- in fact, any kind of new development -- has to solve an economic equation. Here are the costs of acquiring land, erecting buildings, maintaining these buildings, paying janitors, taxes, et cetera. Here is the rent that you can get for that

space if offered on the market in given quantities. Unless the two balance, unless the income that you could expect from that space more than offsets the cost by an adequate profit allowance, you don't have a workable scheme on your hands; you have a paper plan, you have an aspiration, you have a hope. You don't have a development.

One of the hard problems of America and one that gave rise to the urban renewal program (at least from the point of economics), was the fact that the income side of the equation was falling far short of the cost side of the equation. This is a true enough statement, but it is too big a generalization to have much meaning. The equation will be so different in every different location. In fact, even in a city like New York there are almost an infinite number of equations between cost and revenue for almost every block of the city. The cost-and-revenue picture on the south side of 96th Street and Park Avenue is entirely different from the cost-and-revenue picture across the street, on the north side of 96th Street and Park Avenue. This wide variability results in some of the heartbreak and misunderstandings of urban renewal.

There are many factors that affect economic change in the urban areas. In the first place, there have been enormous changes in the communication-transportation system, most familiarly the automobile age. But let me talk about one change that has not yet been mentioned -- the jet plane and electronic communication which have brought about a massive alteration in the cost-and-revenue picture for office buildings in this country.

There was a time before World War I and earlier when transportation, inter-city transportation, was still fairly rudimentary. Railroads were the

only means of moving goods and people. Because of localization of activity, every city of any size in this country needed office buildings. You can walk down the street of any city of 25,000 or less population and see in the center something that looks clearly like administrative office buildings. If you know a little bit about architecture, even though there is no cornerstone, you can date those buildings back generally to the early Twenties and before World War I.

Since the age of the jet plane, and increasingly so, there has been a tremendous widening in the option of deciding the economic locations of office buildings. Only a few cities have been deemed eligible and winner-takes-all.

Without question, New York has absorbed a larger share of office building construction in the Fifties than it had even during the enormous boom of the Twenties. A few other major national centers have grown up -- notably Washington and Chicago. To these add a few major regional centers like Atlanta, Houston, Los Angeles, San Francisco perhaps. But in between, a map of almost total emptiness; little or no market at all for new administrative office space in Muncie, or Wilmington, or Utica, or a hundred other cities of similar size.

What makes matters worse, the center of the city in most cities has a great deal more economic vitality than much of the rest of the city. It is relatively easy in New York to sell urban renewal real estate -- or in the center of Chicago or Washington. If you wanted to develop a large office or apartment center right now in Manhattan, it's no trouble at all. In fact, the bulk of new development -- almost all of the office construction and the bulk of apartment construction in New York required no urban renewal

aids at all. We're kidding ourselves a little bit about the miracles of Title I. If you march up and down Third Avenue, you can watch a mass of white-brick apartment houses. You can see them, maybe still labeled "Luxury Apartment House Development", standing in array. They easily could have been urban renewal projects. Third Avenue is well qualified as a slum by Federal definitions. We could have gone in there with a massive Title I program and would now be taking the credit (or blame) for an enormous amount of urban development that could clearly take place without public intervention.

But once you try to radiate out from the downtown area, you've got to take on generally tougher and tougher problems. What are your options on renewal in a place like Bedford-Stuyvesant in Brooklyn, or Williamsburg, or the center of The Bronx? The options begin to narrow.

But still let's try to solve the equation. Let's take the costs. You have a big tract of land in The Bronx (I use New York City because perhaps it is more familiar to this audience than other places). You have a big tract of urban renewal slumland in The Bronx; you are thinking of clearing it. Here are the costs of doing it. Here is what you have decided to put in and the equation doesn't check at all. The rents that you would need to make this scheme work out would be $35 a room, and all your instinct, real estate judgment, knowledge, the experts -- all of them tell you that there is no chance you will get more than $25 a room in this neighborhood. Something is needed to reduce that gap, and that's where Title I comes in.

Title I came in and was the formula that was supposed to wipe out the gap between costs and obtainable rent. Now, fine. Use land write-down to get you down from $35 to $25. But what do you do with an area if,

after getting the rent down to $25, you still couldn't rent it out, or at least you think you can't rent it out? Something more is needed -- some trick, some formula, some device, some gimmick -- to get those rents down from $25 to something that would be more acceptible to the market, say $20 or $18. And now you have to play with more imaginative and less rigid plans to achieve this. Mr. Rouse mentioned some, Mr. Herman mentioned others.

You have to start to play with something. How about your mortgage? Isn't there some way that you can affect the term of your mortgage so as to get the rent down to the desired level? And sure enough, we have evolved such answers mainly because of the Federal 221-D-3 program and the Mitchell-Lama housing in states like New York.

How about real estate taxes? Mr. Prentice and Mr. Breckenfeld concentrate a good deal of their attention on this subject. Taxes are up to the discretion of the city and state. If cutting the real estate tax will get rents down from $25 to $20, where they belong, not as a matter of moral or ethical principle but because of naked market fact, then it might be very worthwhile for the city to use tax abatements as an appropriate device.

So far we have played with cost-revenue equations in a cold, economic sense. We are simply trying to solve a market equation. We have no social theories to spin at any time. We are just trying to achieve economic success -- to fill up a certain amount of space with a rental sufficient to meet the costs. But now let's put some social factors into this equation.

What now if we want to fill up the center Bronx not just with any

kind of people but with a pre-defined class of people? If you have studied The Bronx a long time, you will find all the familiar problems caused by Negroes and Puerto Ricans moving in and middle-class whites moving out. As middle-class whites have moved, the schools have become more Negro even faster than the residential population. The P.T.A.'s have few members and the church and synagogue have become deserted.

What if we wanted to do something, then, to restore a social balance? Suppose you wanted to do something to retain or attract a larger segment of the middle-income families with as many children as you can, possibly on the ground that you are going to integrate schools. The busing theory has limitations on it, and getting Negroes to move to Great Neck or Forest Hills has even greater limitations. You have a much better chance of achieving integration on a large scale by keeping white middle-class families from moving out in the first place, or by getting them back into certain neighborhoods in large numbers through massive projects. Again, you can make speeches, again, large projects; you can exhort white families to move back or stay in the central Bronx by a matter of moral duty. But you will have to fall back on something else as well.

There is our old friend economic incentive: that if you could only make that housing in central Bronx so much of a bargain with respect to its quality and rent, many white middle-class families would be unable to resist this opportunity. You now have a tool that you can use more effectively than the jawbone.

A good deal now of what passes for urban renewal in New York and other places is precisely concerned with this kind of restructuring of the social balance of particular neighborhoods with respect to the kind

of building or the esthetics of the building, how much open space there should be around each building.

Urban renewal is a tool. It simply is a set of financial aids to achieving lower rents or price than you otherwise could. If you add to your urban renewal tools not merely land write-down but also mortgage assistance and tax abatement and by mixing them you have a fairly elaborate set of aids that could be used in combination and individually, these can go a long way to accomplishing what you want. I say a long way. Only a fool would think you can achieve total success or that you have a panacea. Our cities are riddled with examples of the failure of economic incentive.

I have also been asked to talk a little bit about the role of foundations in urban development. This role goes back toward the end of the Nineteenth Century, both in England and America. There were no foundations then but wealthy families built model tenement houses for low-income families. There are still examples around of these model tenements in New York City, Philadelphia, London and elsewhere.

The first attempt, to my knowledge, of a philanthropy or foundation going into something more imaginative or elaborate than tenement housing was the Russell Sage Foundation's experiment in around 1908 -- in Forest Hills Gardens, in Queens, where it sponsored a planned urban development for middle-class white-collar workers. The design and esthetic quality was far better than anything the speculative private builder was then putting up in what then were the contemporary suburbs of New York.

Not only was the result successful, it was too successful. Forest Hills Gardens became so popular a place to live -- from the point of view of prestige, status, and transportation -- that shortly after it was built it

was swamped by customers. The price kept going up and up. By now Forest Hills Gardens serves the top one percent of the families in New York. It has become a premium residential location. Radburn in New Jersey and Marymont in Ohio are other examples of foundation-supported planned development.

More lately foundations have been shifting away from taking an investment position in urban development, either suburban or in-city. They are now limiting themselves to a "paper" position, i.e., financing research and studies of planned development, urban development, economic base, and the like. A lot of the books that excite our alarm about being dragged down into some urban hell have been paid for by foundations. Perhaps it is unfortunate that foundations have stayed away from brick-and-mortar. There are strong economic reasons why pools of money such as are held in trust by foundations are just the right medicine if we are going to get large-scale planned development.

Much of what displeases us as we look at the subdivisions in our suburbs is not necessarily due to the malevolence or unesthetic tastes of the builder. It is principally due to the economic pressures on him, the note he has to meet. This pressure forces him to sell his land and get his buildings built at a certain rate or the cash flowback will not be sufficient to discharge his liabilities and he will be in trouble. He cannot design buildings to his own special taste or ignore consumer preferences. If he does, he may fail to get as much mortgage money on these buildings from conventional mortgage lenders as he needs to make his an economically viable scheme. If only a foundation could come in and take that risk position, or part of the risk position, and say to the developer,

"Well, look. Don't panic. We'll help you take care of the notes as they come due. Or if you can't get the full mortgage allowance on this kind of design -- which everybody agrees that would be an interesting innovation -- don't you worry about it. We will take a piece of what's left over and help you out." Our foundations could move in and do this. They have not done this on any scale to date, but perhaps the trend is in the direction of doing this later on.

But in the absence of a foundation support for that kind of position, the only other approach is going to have to be some form of new type of Federal assistance. The 1964 Housing Act has very preliminary and tentative feelers out in this direction.

Let me stop here.

MR. HEISKELL: Thank you very much.

I should have told the panelists that we have a stenotypist for the record. Nothing will be used without your consent, if anything is ever used.

The speeches are over until after lunch. The floor is yours for questions and answers.

As you gather, this is a simple subject with very few problems to it. I am sure each of you has a full-fledged answer right now.

We have about 20 minutes for questions. Are there any questions?

QUESTION: I was curious about something that Lou Winnick said. He was talking about one of the objectives of renewal is to get the price of housing down lower than it would otherwise be. It seems to me that in most instances, if you think of that price of housing in terms of its location, urban renewal makes the price higher. That is to say, in practically

every urban renewal site the new housing always costs more than the housing that was there, even in the case of rehabilitation. The new housing costs more than the housing prior to the rehabilitation, regardless of FHA attempts to stretch out the cost.

MR. WINNICK: We are using the word "price" in two different senses. You are talking about a difference in price levels and I am talking about cutting price relative to quality. It isn't a matter of comparing Chevrolets and Cadillacs. We're trying to get the Cadillac down to the price of the Chevrolet.

QUESTION: In all of this discussion it seems to be assumed that there is no way to reverse the flow of industry and offices and everything else into the big urban areas. Is no effort being made and can no effort be made to redisperse industries throughout the country?

MR. WINNICK: May I answer?

MR. HEISKELL: Would you like to answer that.

MR. WINNICK: I would say that the redistribution of economic activity is one of the main programs of every Federal, every state government and every city government and every country government that I know of. Most urban renewal represents not net gains in taxes, investment and employment but changes in the geography of where economic activity takes place.

Many urban renewal agencies make totally misleading statements on gains in taxes or population: To be sure there may be a gain for San Francisco to have a certain amount of new housing, but for the country as a whole the net gain would be insignificantly small. Remember the major argument for urban renewal is that families are moving out to buy housing

in the suburbs. Urban renewal tries to get them to build their houses in the city rather than the suburbs. That is, to change the geography of investment.

The Appalachia program is much the same playing of games with geography, probably socially useful games but nonetheless games. There is no claim made that any industry that would be attracted to Appalachia would be a net increment for the country as a whole. In all probability it would be an industry that would have located someplace else, in California or the southwest or Pennsylvania or New York.

MR. ROUSE: It just seems to me that the answers to both these questions get back to the fact that it's the product of a piecemeal approach to the task. Industry might be very logically in the center city. There is no justification in trying to arbitrarily pull industry back into the center city unless this is where it is going to serve the community best. On the other hand, with the kind of development there is in industry today, with the high growth in the research-oriented, scientific-based industry, much of this might well be best located near the educational centers, near the places where the scientists can reach the libraries, where the workers can reach processes for adult education.

If you were approaching industry, if you were approaching the community as a matter of total environment, you might well find that the most logical location for a good deal of the industry growth was in some very surprising places in the city.

Similarly, I think, in answer to the question on rents and prices, I'm not sure I quite share some of Lou's ideas. I think a free market system will work in rents and prices. If we are approaching it as a comprehensive

inventory of housing and if we were approaching our housing in terms that we're not going to let any housing exist that's substandard; this is just a matter of simple law and we won't allow it, we'll enforce it, we'll wipe it off the market so that there will be no substandard housing.

Secondly, if we are going to continue to add to the supply where it is needed -- I mean in the price ranges in which it is needed -- and we are going to provide for it in an orderly way in the right places, in the absence of a housing shortage, which we do not now have -- we don't have a housing shortage, we have a shortage of quality and of location. But in the center cities of America today where there were terribly tight conditions, there are now vacancies of five, ten percent. So that if you were enforcing adequate laws to maintain a decent minimum standard and if you were adding to the supply in the price and rents and locations where it ought to be, a free market system will sift out housing for the people. If you wind up with a residual that can't meet the free market test, this is the public housing program and this is the right kind of support and the only support, in my opinion, for a public housing program.

But we have an enormous supply of public housing now. The turnover is enormous. It's 20 percent a year or more. And add to this, if need be, the residual need after you have accounted for the balance of the need through continuing supply.

MR. HEISKELL: Another answer that hasn't been brought out yet is the influence of the Federal Government on location of industry through defense and NASA and the great weapons complexes. It's impossible to put an industry out in the plains in Indiana. You have to put the industry where there are intellectual centers, where there are certain fabricating

facilities and all sorts of elements. What's happening is that the big cities are competing for these big contracts now. They're just bound to go to the big cities.

DEAN KELLY: I was going to mention the articles in the New Yorker about the Boston area. They indicate the impact of the centralization process, and it's very hard to fight it with any of the tools. At the time the great interstate system of highways was being planned, nearly every reputable planner was concerned that it was being located so that it would reinforce existing structure rather than create possible alternatives to this. But how can you get political support for that?

I grant the jet-age problem is growing very, very rapidly. There is no attacking it. But there is a big opportunity both in feeder planes and in feeder highways to shift within major regions. Yet there is almost no attacking the mentality that says if the thing doesn't exist and doesn't now have a vote, we wouldn't listen to it. We spent years trying to persuade highway engineers that when they are locating highways extending out into the suburbs, out into the open land, they could no longer use origin and destination points. This seems very simple but it took a long time to get this through. We have to devise a way, and this is a public education process of representing people who do not exist. These people who are going to be in the cities we are going to build have a vital public interest in having these things built right and in the right places, but they have no vote now. They're not there now. All of their questions are being answered for them by the people who are in the wrong places now.

MR. HEISKELL: Any other questions? If not, I think we might have lunch.

(Luncheon recess 12:45 to 2:00 p.m.)

AFTERNOON SESSION

MR. HEISKELL: Ladies and Gentlemen, would you take your seats.

For the next hour or so the Chairman is Jim Lash, Executive Vice President of ACTION.

MR. LASH: I noticed this morning a certain lack of coherency to all this. I think that merely reflects the facts of life.

One point of some coherency that I would like to just throw in at this point, from my own not-too-long lifetime of working experience in this field, is that at least, to a far greater extent, we're at work on the problems of our cities and on creating better cities than we were even a couple of decades ago. It is an actual fact that when we entered World War II our cities were engaged, as far as governmental functions were concerned, very largely in providing what are called housekeeping services. With World War II we began to think a great deal more of what was going to happen afterwards and the idea of planning the future came a great deal more into our thinking, largely at that time for anticipated economic reasons. But the movement of planning out our future has grown enormously in these last two decades.

One evidence of this perhaps is the fact that the American Institute of Planners, the professional organization of city planners, has grown from 200 at the end of World War II to well over 3,000 today.

Another evidence is the enormous increase in local debt, where the job of the city today has become to build an environment in which people live and work and do business. So that local debt has been, by all odds, the most rapidly increasing governmental indebtedness that we have had since

1950. Local expenditure today is equal to the expenditures of the Federal Government for areas outside of defense.

Part of this, of course, I think, comes about because so many people have been affected by the conditions of our cities. More people have moved into them, as we all know. Racial change has occurred and people have been affected by this. A lot more people have had kids going to school, are more conscious of the conditions of schools and their locations. We have a lot more automobiles and people are more conscious of traffic. We're conscious of change per se.

You can hardly pick up a local newspaper anywhere in the country today that doesn't have a story -- almost any day -- on a proposed zoning change. This is news, especially news to the people who are most immediately affected.

Our higher incomes, of course, give people more opportunity to raise their living standards. This makes them more interested in the conditions where they live, it gives them more of an opportunity to pick and choose, and certainly businessmen have had a great deal more reason to be concerned in recent years than before because of the enormous shifts in population and the ways of doing business, the modes of transportation that have occurred in the last ten or fifteen years.

It is rather interesting, I think, that we made a recent poll of our membership and found that the central business district had a very high priority among our membership as far as their concerns with the city go. Businessmen very definitely are being affected.

I think, too, to some extent, that the image of what can be also is coming more into our thinking in causing more people to be concerned and,

therefore, developing this common thread around the country where, to a far greater extent than a couple of decades ago, we are at least working on our cities, working on the problems, trying to consider what they ought to be and what some of the cures are. I do find, however, this varies a great deal city by city.

Philadelphia, I think, is one city in particular where the degree of concern is very widespread. But it's been a long time coming, and it goes back even fifteen or twenty years to a very considerable program in the Philadelphia schools, where the children were taught to be concerned about their city and where today those children are now the householders and property owners and the voters and have an influence on municipal policy.

On the other hand, in Des Moines, I have found a great sort of apathy, and yet also I feel a great unrest. The younger, most vigorous people are leaving Des Moines. I have a hunch that they are leaving partly because life is sort of "blah" in Des Moines. I think that some of the gropings that are going on among the city officials and some of the community groups may be to try to find the city again, because it's been dispersed all over the landscape; and as Gertrude Stein said, "There really isn't any 'there' there any more."

Phoenix, on the other hand -- when we were there a couple of months ago, we found a very considerable ideological battle going on, but a beginning of concern in Phoenix about some of the conditions and some of the problems of the underprivileged there.

In all this, I would like to mention another observation, and that is that it seems to me there is a great difference among the concern of local people, local business concerns, who have to live rather intimately

in a given city, and the national business concerns, which are hardly attached to any city at all, particularly those here in New York. At lunch we were mentioning A.T. & T., and it's been my observation that many local telephone company executives are playing rather prominent roles in the citizen efforts of their communities to improve the places where they live and the other cities that they may serve, but that the national telephone company has shown very little concern about the cities of the country and participated very, very little in any efforts to help solve the problems and make them any better.

Another observation that I think is significant is that we have moved a long ways, I believe, from trying to focus only on the cures for problems and instead are looking to what can be created. Jim Rouse described this morning some of the right kind of questions to be asked in trying to create the truly good city, and our eyes are more and more in this direction, even though we're only making a start in trying to get some kind of urban development policy that can guide the cities of the country and the nation in building the kind of cities that will really serve our people and all of us together.

We lack this goal, but because we are working on it, because we are seeking to create the best that we can, we thought this afternoon it would be appropriate to look into what may be some of the fundamental problems and the fundamental things to be examined which might have a bearing on all that concerns us about our cities. I'm not going to try to say what the speakers will say, but our hope is that they will help us to take a look at some of the ways things work as they are and how these may affect the kind of urban development that we get, and perhaps to suggest

how some changes in these fundamental approaches might have an effect even greater than the kind of direct attack that the urban renewal program represents. That's the way the afternoon program is structured more or less. We hope it works out that way.

I guess, Burnham Kelly of Cornell, you're first on the list.

DEAN KELLY: If you are expecting to get any fundamentals from me, you are only going to get the ivory-tower kind, which are fundamental questions or issues so obvious that nobody in the practical world can really get down to them; but they're easy to say and fun to talk about.

Actually, I'm advertised as being concerned largely with technology, and I have been. But my concern with technology has been over and over again to say that we have mammoth technological resources in this country and that the problem really isn't whether we can do it technologically but the question is usually what questions are we asking of these people, what directions are we giving to them. In a very real sense, the problems we have here, technologically, are too important to leave to the technologists. They are questions that have to be settled by other people. Or, if you wish to twist the word a bit, the most important technology that concerns us now is that of the whole system analysis, the whole communication of goals and objectives, and you people are the technologists in this field. You people are the ones who will help, if anybody can help, to put a finger on the kind of problem that the general public must face up to. The men who are working within the narrower ranges of technology can't solve these problems and are pretty much limited by them.

One of the difficulties we have, of course, is the old American

tradition of thinking in terms of labels instead of facts. On top of that is the old American and, I suppose, human tradition of fighting the last war instead of the one that's coming up.

Just to illustrate what I mean, let's take the word "city". In the course of this morning we have talked about at least five different things, using the same word for them. We have talked about the central core, we have talked about the political center, we have talked about the city and its suburbs, and we have also talked about the vast regions, super regions that are, in effect, being created along the coast, in the middle west and along the Pacific Coast.

I submit to you that it's pretty important to know what we are using the word for and to be fairly precise about it. Perhaps we have to define different words, but certainly if we considered urban renewal as a redesign of the cities, what is it that we are redesigning? Why are we trying to do it? Are we really focusing on the city proper or only a very narrow, small part of the central part of the city?

Just to keep perspective, there has been a city in literature for thousands of years. About a hundred years ago we had called these things hamlets. They're not really cities at all. The city in the sense that we know has only been able to exist by technological resources in communication, in food supply and so on, and it's been only since the whole series of industrial-revolution technological gains that it has been possible to build a modern city; and since we continue to make presently rapid progress in all these areas, I think we have to recognize that that which we see around us now may be a very temporary phase on the rapid curve that we face, and that the last of these definitions of "city" is the one that Peter was showing

with his blobs along the seacoast.

Maybe in fact what it is that we are talking about is a social objective. This is, as I say, a creation that depends on the state of technology in one sense, and in the other sense is the eternal balance between security and opportunity.

One of the psychologists out in Topeka said that a city is what people are willing to give up. This is the security angle. The other angle is the obvious one that a city is the mechanization of the opportunity to specialize, to have a certain kind of career that allows you to make a much greater gain than an economic return but in profitable use of your own physical powers and intellectual powers. These two things are what make the city go. These two things are what make the structure of the city change, because you can obviously take the benefit both of the security side and the specialization side and much farther remove physically one from the other than we used to think was possible.

It would be very interesting to take a man who had been living in a 1900 city and put him down, shall I say, in Lincoln, Massachusetts, which, by any city planner's map, is part of the built-up city area of Boston, and say, "Now, look. You're living in a modern city".

For those of you who don't know, Lincoln, Massachusetts is a suburban town with about average two-acre houses, and the center of town is a crossroads on which you can see what they call a town hall, but it hardly looks like one, and maybe three or four other houses, and that's all you can see.

This 1900 man would say you were crazy. "This is no city." This is far from a city, but it is a very important operating piece of a modern

American city.

To continue with the Boston analogy, everybody thinks of that city essentially as a point expanding, expanding, expanding. Route 128 goes curving around as a circumferential opportunity and barrier. Industry grows along it. Everyone is satisfied that Boston is going to continue radiating outward, and the question now is: Where is the next circumferential?

If you study that area of New England, you begin to recognize that a city of that size has already changed so much that the next circumferential is not a circumferential at all but it's part of a grid that operates from New York by Worcester toward Maine and has to be designed in these terms. The City of Boston is already no longer a point but it's a part of a sweep along the line.

If you get out between Detroit and Chicago, you are dealing again not with a point but with a line. Anywhere on that line industry can locate, communities can locate. Where do they in fact locate? Where the power structure and the industry and the power-structure wives think it's most attractive, Ann Arbor, something of the sort.

The same thing on the line between New York and Philadelphia, where they tend to end up in Princeton, if they can.

But it's a band that we're seeing. The structure is changing and we have to keep this in front of us all the time.

Well, there are some special flavors in this city business in the United States, and the first of them that we should never forget is our long-standing tradition of land speculation, a tradition that is unlike the tradition of most of the civilizations with which we are familiar. From the

very beginning, in this country we used land to give to heroes of wars, we gave grants of land to encourage people to move. Everything we did with land was to treat it as a commodity, and we've got thoroughly ingrained in all of our minds that land is a commodity, not only that it's a private commodity, and while we may regulate this game to some degree it's basically something that the private citizen has an eternal right to play with for whatever reason he damn pleases, and we may not much longer be able to talk about playing with land. But at least this is ingrained in the American mentality and in the American city.

Another aspect of the American city, obviously, is that most of them were built in a hurry; and from the time of the early Greeks and Egyptians and Indians to now you can always tell a city that was built in a hurry because it has a simple and rather dull plan, usually a grid. This is the obvious way to get a lot of things done in a hurry. You sit down, draw some lines on a map, you build the thing along the lines. It may not be the most charming thing in the world but it's a very efficient way to move. So we have a lot of cities built in a hurry, and they all have this obvious rational simplicity of the people in a hurry, and it's pretty dull.

Finally, we are probably the only civilization that grew up without any fear of invading armies, so that all of our cities represent quite visually to us the fact that everybody felt they could wander off in any direction and not only be safe but possibly even be safer than they would if they stayed near the center. So we've got sprawl.

I think you have to, as I say, keep these abstractions in mind because they really give us some of our shaping factors. What are some of our shaping problems?

We talked about transportation. This is another one of these words that you have to look behind. You can't solve problems of transportation now or in the future without recognizing that it's a single case of the general problem of communication, which is what makes it possible to specialize and to grow in a city. To the degree that you can take things off wheels and put them on wires or through the air, obviously we have to do this. We must understand, as we look into the future, that it is the technology of making people be able to make decisions in the simple sense, or for the highly specialized people to get either actually or a fairly good simile of a face-to-face relationship, informal, intangible relationship, that makes your city. Not all people have to do this, only a relatively few. But the relatively few have to be associated with a lot of others.

If you start saying this, you begin to see why my image of a long, sort of star-spangled grid is probably the image we will be dealing with in the next 50 years, because on this long, star-spangled grid the people who don't have to move far don't in fact move far, but the ones who do have to are given quick communications channels and, if necessary, transportation channels to do it.

But we have a myth in the transportation thing. We have the myth that we have free choice. Everybody believes that it's really up to him to vote whether he's going to have an automobile or not, whether we are going to have a subway system or not. It's been a long time since we have given anybody this kind of choice about distribution of water or collection of sewage. I submit to you that the time has come when we have to look at the function of transportation in the city as a problem very comparable to the problem of distribution of water and collection of sewage. It's a

public problem, it's a public utility, and perhaps the way to do it is to handle it entirely in taxes and be done with it, and not talk about free choice as one of the things when the time has come to say no longer can we waste the water and therefore you have to do this or no longer can we waste the parking space and therefore you have to do that.

At Cornell, which I'm sure you think of -- and you would be right -- as being one of the last outposts of civilization, we have a parking problem, and the boys who are now working on it have calculated that it would actually be cheaper to give every member of the faculty a Volkswagen than it would be to build the structures and system that would be necessary to allow them to retain their normal size or increasing-size vehicles. If this is true in Ithaca, New York, hasn't the time come to start thinking about some of these things in really central cities?

Now let me turn to another kind of question entirely, and that is the question of what is urban renewal. Several of the speakers this morning talked on it, but I am trying to specifically emphasize that most of our concern in urban renewal has been not with the city in the sense that I have now been describing it at all but with a very narrow, small, central part of the city. It has the political support -- and you heard me say at the end of this morning my sort of desperate feeling about the situation we're in with regard to political support. But it may well be that we should be concentrating our fire on the other end of this line. If you admit that we are going to double our urban growth in the next decade or so -- the next few decades -- then certainly the biggest change in land use, the biggest concern, the biggest public, social or other kind of change and the biggest opportunity exists not in the center but on the

outside edge, where, with the expenditure of a little dough, you can perhaps make a design change that will give you a 50 percent, 70 percent improvement. By using every tool we've got at the present time, we may be bringing certain areas in the central city up from, shall we say, roughly minus 20 to minus 5, and that's a net social gain and it may be important. But maybe the time is coming when we should start worrying about bringing the part that isn't developed from zero up to plus something or other. Or, to use an army analogy, if we spend all of our time and all of our energy making sure that the wounded are cared for and we don't advance the front troops, where the hell would we be when the campaign moves a little farther ahead?

I don't mean, by this, to say we should abandon urban renewal in the center. I think it's absolutely essential. All I'm trying to make clear to you is that I think the program, the process, has to have a central point from where we go ahead. The only way we are doing that now is through the efforts of private individuals, like Jim Rouse, for whom God bless, et cetera.

Now, I've been asked to talk a little bit about housing. I think most of you, through your own organs in this organization, know a great deal about housing, and I really shouldn't waste much of your time on it other than to say that here we have one major determinant in the form of cities. It's certainly the single largest user of land, and it is very effective in locating the other two great characteristics of land, the commercial areas and the industrial areas, although perhaps less so for the industrial. Certainly the way you allocate your housing resources shapes not only your political but your social and, to some degree, your national character.

Here you have a very odd thing, and that is, for this important development group, development area in our society, if you wish, we have no

responsible, effective organization of any sort, industrial or otherwise. In the others you have some pretty effective operators, but here the myth is that there is a housing industry, the myth is that there is a building industry, but the fact is that there isn't or that it's so split up that it isn't effectively operating.

We just recently observed in Washington the phenomenom of a group of specialized in-group suppliers through existing channels to existing builders having a large meeting under the auspices of the National Chamber of Commerce, calling itself the building industry and saying it wanted no part of money from the Federal Government for research in the future development of buildings. This was a fantastic bit of folly. They represented nobody but those who are now vested in the field, and they made it impossible to deal with some of these large problems with which we are most concerned.

We have seen also such interesting things as the, I suppose, inevitable -- under the present legal set up -- ruling that when National Homes, one of our largest prefabricators, bought a half a dozen other prefabrication companies and one mobile home company it was violating the trust laws. Now, with all of these things put together, National Homes is making a minuscule fraction of housing. The thing that was important was only that it was the largest of the prefabricators. But anybody with a rational mind, looking at houses not only in terms of how they are built and assembled but how they are designed and used, would have to look pretty hard to make a real distinction between those that are produced by means of prefabrication and those that are produced by any other means. There is no real distinction except in an operating technique, and there is not going to be

any real progress until some of these elements can be put together in big enough packages so that a major industry can arrive, a major industry can take over and can operate.

I said this many times, and probably I shouldn't dwell on it again, but it certainly is true that the breakthrough that we can expect in this area -- and mind you, I believe that in the area of housing we have the single biggest industrial opportunity in front of us at the present time -- we are not likely to make much progress until we get components in the production system that can exist over a long period of time, can invest money in research and that will be there when the research pays off, that can try things out and observe them in operation. As long as we have the quick-in-quick-out payoff on today's sales, impulse sales at the door, we are never going to get much of an improvement in this whole operation.

Probably this is one of the most difficult things to solve because it is all concerned with, as I'm sure you have heard many times from Gurney and others, a very complex structure of localism, individuals firmly believing that the local governmental unit is the one that should decide these things, with distribution channels that are now in existence, with prejudices in coexistence, prejudices in labor organization and so on, and there exists no really effective rational spokesman for taking a larger look at the whole thing. It indicates, I suppose, as many things in the city problem indicate, the feeling that many people have that when you try to look into the future what you do is you take all the existing ingredients as though they were chessmen or checkermen and you assume that none of them will change but you just place them in different places. Actually, as

I hope I'm making clear to you, this is not the game we are engaged in. Each one of these chessmen is changing rapidly in its basic characteristics, and so are the rules of the game that you are playing, and it can't be done in this kind of status quo of "I know what the building industry is, I know who is speaking for it. We will therefore deal with these pieces."

To illustrate, of course there is the mobile home, the famous mobile home that is free of the codes, unworried by the distribution problems, not responsible to the FHA, et cetera, and it has managed to move into about 14 percent of the total single-family-house market. Incidentally, all along the way it's been outselling the prefabrication industry. The mobile home people are doing some very interesting and remarkable things, but some of the most interesting and remarkable things about them the mobile home industry isn't doing at all because it isn't looking forward either. Here lies the potential to get a really industrial approach to the supply of units, but the mobile home industry, having once been mobile, is fixed entirely to the notion that they have little narrow units with windows looking in all directions, and this means they can't do any of the things that they should most efficiently be doing. There is no reason on God's earth why they shouldn't be producing pieces of row-housing to be brought and dropped at the site. I suppose the only reason is that at that point they may have crossed the magic line where the whistle may be blown and they say, "Now you are changing. These are not chattels any more and you are selling real property," and have the controls slapped down on you.

But if we are the country that I believe we are, if we are able to solve integration problems by the interstate commerce clause, if we can hold onto labels instead of facts, maybe we can slide in and maybe we

can get industrial reality through by pretending that every house we build is a mobile home.

Finally, let me say a few insulting things about the professions that I represent here. The tone of today is to say "mea culpa," and I think it's only fair to make some cracks about why aren't the design professions taking the lead here, why aren't the architects and the city planners really blasting the path that they should be blasting. Well, they are all talking largely to each other. They haven't found an effective communication channel. And I think most of the public-relations channels are fascinated by the star system, if you wish, and by the fact that architecture is one of those odd professions in which the leading men in the profession aren't in the profession at all. If you say who are the big names in architecture, they are people who aren't bound by the rules of architecture; they're specialized sculptors who have fantastically permissive clients and large budgets and they really don't have to live within the rules that our profession provides.

All the young men are in love with this notion. All the young men want to create art. I don't blame them a damn bit, but the result is that the architectural profession deals effectively with about 10 percent of the business; and instead of looking for an increased market, all they're looking for is an increased audience. I'm afraid that you people are partly responsible, although I'm afraid we in the schools are even more responsible for this situation.

When you get to the planners, I'm afraid that what's happened there is that although every now and then they stand back and try to take a look down the corner, what was said this morning is only too true, and

that is that the profession has been swamped by its responsibilities. We turn out a few young men every year, and there is a line of cities and agencies at all conventions standing to grab them and to put them in positions of power. We have boys that are just barely permitted to pass in M.I.T. who, within two years, are making the planning decisions for the whole of a city of 50,000. What do you expect is going to happen? They are not experienced, they are not the most intelligent people in the world. They are serious, they are responsible. They have had some training but it's just so-so. We have had to rush these untried troops into positions, and we have had the results of this. We still aren't in a stage where we can get enough education, get them back long enough to consider the problems for which they really should be bending their efforts.

There has to be a constituency that demands of these young men and of the people associated with them that they step back from the real problems of the moment and say, "Where are we going?" I don't think they're unwilling to do it. Some people this morning talked as though no planner ever thought about these problems. The planners think about them all the time and they worry about them, but they never have an effective opportunity to sit down and grind into them.

Let me just give you one final problem and then I'm done. This is the famous school system problem. See Patricia Sexton in the March "Analysis of the Economy of Political and Social Science", or see your local newspaper even today. I think you can say that both ethically and eventually politically we are beginning to take the position that our greatest resource in this country is educated people and that we can't afford to have their educations -- any of the bright people -- have their

educations nullified or warped by being put in a second-rate school system. If they've got the capacity, they should have the opportunity. We are beginning to see a feeling that this means business, that within a city school system you can no longer rely on the old familiar notion that if I and several hundred of my friends want to get into a special location and argue for special taxes and spend a lot of time at P.T.A. meetings and raise the devil with the school system, that we can get twice the educational system that the people in the central city can get who don't have the time or resources to make this fight. We see this coming, and you say yes, it's a fine ethical problem. What I would like to point out to you -- and, incidentally, to all my planning students and friends -- is that this is an attack on the basic root of the whole structure of city planning for a hundred years in both the Anglo-Saxon and most of the Western European system. It isn't the neighborhood theory that's made the elementary school want the school system; it's been the convenience of our family system and the convenience of saying when somebody is a toddler he shouldn't have to toddle across dangerous streets to get to school but he should toddle over a short distance and come to a safe place.

We are now in a position of saying, in effect, that our schools have to embody within their constituency enough of a cross-section, enough of equality of opportunity so that the education is really fair.

What is the implication of that in the form of our cities? Jim Rouse asked some people and he didn't get any answers. I tried to ask them in Topeka and I didn't get any answers. But I send out some hypotheses for you to play with, and this will be fun, I think, because it's typical academic stuff.

Let's say we are concerned with what the education process and the human being really is. As near as I can make out, for about a year or so a child's principal operation is to learn the fact that he is an identified individual and that his mother is not an extension of him but is a separate person, et cetera. The family system, no matter how many times we try to break away from it, has to be recreated because of this basic educational fact.

About the same time the child is able to move physically he is also able to move mentally. But then he's at a complex situation: He's been able to identify not only himself and his mother but there are some other things around that may be quite threatening if they look very unlike him or his mother, and so at this point you begin to ask some very crucial questions. At that stage, should we have a mixture which may threaten or should we generate one more step of security before we mix?

We developed a little community on the outskirts of Boston, largely a professional community, at one point, and I found out that most of the people there were teachers at M.I.T., Harvard, and things were getting pretty dull in a way. There was a man who sat next to me at the Boston Symphony. He was a Jewish boy who ran a liquor business in town. It wasn't the liquor-business angle only, but I asked him if he would join the group, and he said no, he wouldn't join the group. The reason was that at that time he would have been the only Jew in the community, and he wanted his children, when they were young, to move through the first few years respecting not only the religion but the whole social tradition with which he grew up. He said he didn't care how they decide but he wants them not to feel that they're different, unusual and to be in any sense embarrassed.

I'm just casting an intuitive crack here, and the purport of the crack is that there must be some time between the time you take a child away from its essentially maternal system into the time when you take him into the essentially social system, a short time where he has to be relatively secure, and this is the first few years of nursery school or the first few grades, and after this has happened you can, from this basis of individual security, start mixing. You can make him recognize that there are people quite unlike him. I wouldn't want to mix too soon, because the last thing in the world I'd want in this country is to have a whole nation of Campbell soup, of nice, bland nothing. What we want is to find some way to push out the specialization, to push out the capacity, but also to keep, to some degree, the special flavors. I think we have to do this by playing this game. I suspect, therefore, that you probably will find that it isn't until fairly well along in the school system that you want real mixture in the sense of "They are different from me and I have to face a whole different way of looking at things and defend myself against their arguments." I think you have to put people into a position with at least their feet squarely on the ground and a feeling that they've got to grope behind them.

I'm rambling, I'm inventing educational theory, but the purpose of every one of these hypotheses, you can see, is reflected in how many houses, where are they, how are they related to the school, where is the school, what is the structure of this residential district, what is the structure of this whole city. I think in a very real sense it comes from ceasing to talk in labels and starting to try to find out what are the operating facts.

Thank you.

MR. LASH: Thank you very much, Burnham.

To this Time Inc. audience I'd like to introduce the next man simply as Justin Herman's editor when Justin began work as a reporter on the New Bedford Times -- Perry Prentice.

MR. PRENTICE: I think maybe I'd better start out by quoting the immortal words of Jim Rouse: "For so vast and so complex a problem, there can be no quick, there can be no easy and there can be no simple solution."

I don't want anybody to think that just because I'm going to talk about just one subject, that I'm suggesting this one subject as a substitute for all the things that you have been hearing today. I am going to talk about this only as another ingredient that, it seems to me, is essential to be activated in this urban renewal problem.

Let me assure you that I am proud that the No. 1 practitioner of urban renewal started his business career keeping me out of mischief. I am equally proud of the fact that ACTION really got started at one of our Life - House & Home roundtables, and I'm proud of the fact that the Housing Act of 1954, really the point, the legislation under which urban renewal began to get going, also had its first outline at the Life - House & Home roundtable that we held at Eisenhower's request before he went into office. And I'm not repudiating any of my children or stepchildren; I'm proud of them all.

But it does seem to me that we ought to give careful consideration to another solution which has never been tried in this country but has been tried, in varying degrees, and with success just about in proportion to the fullness with which it's been tried in Australia, in New Zealand,

in South Africa, in Denmark and in considerable parts of Canada. I'm not talking about pie on the moon. I'm really talking about something which has been tried on the same planet that we're living on and has been working on the same planet that we're living on.

Now, against that background, perhaps I should now reassure you by loudly affirming my faith in free enterprise and the profit system. I recognize that free enterprise and the profit system have their limitations. For example, we passed the point where we can expect free enterprise and the profit system to provide enormous but relatively simple public works like the New York Thruway or the George Washington Bridge. I also recognize that free enterprise is subject to grave abuse. But by and large, I don't see how there can be any substitute for free enterprise and the profit motive when it comes to satisfying a multiplicity of similar but not identical human needs that all have to be worked on simultaneously.

More specifically, I don't believe there can be any substitute for free enterprise in meeting a need as unbelievably complex as the needs that we find manifest in the problems of urban renewal. So when we find the notorious example where free enterprise and the profit motive have failed to meet a complex human need, I believe very strongly that before we decide that the only way to meet the needs is to ask the government to step in and try to solve with tax dollars a job that private enterprise has failed to do with profit-seeking dollars, we should first try to find out why private enterprise has failed in this particular case and see if we can't eliminate the cause of the failure.

Now, I think we can all agree that just about the most notorious examples where private enterprise has failed are manifest in, first, the

failure of private enterprise to provide good homes for the urban poor. In other words, the failure to wipe out slums. Second, the failure of private enterprise to use urban and suburban land wisely and economically, i.e., urban blight and suburban sprawl.

But I think too many people have been too quick to assume that the best way to solve these unbelievably complex problems raised by the admitted failure of private enterprise is for the Federal Government to step in and try to do with tax dollars what private enterprise has failed to do with profit-seeking dollars, i.e., to invest billions of tax dollars for subsidized housing and subsidized land acquisition.

Once again, I'm not against the use of tax dollars in this problem, but I think it's preposterous not to simultaneously explore what could be done through private enterprise on this. I suggest it might have been much better not to pour all that tax money into subsidized housing and subsidized land acquisition without at the same time trying to see why private enterprise was failing and then trying to eliminate the reasons for that private enterprise failure.

The reason for that failure is not very far to seek. The reason -- not quite the only reason but far and away the most important reason -- is that today's taxes, Federal as well as local, harness the profit motive backwards when it comes to land use, land development and land redevelopment. They make slums the most profitable of all housing investments. They often make it more profitable to let property decay than to keep it up and improve it. They often make it more profitable to misuse and underuse land than to put the land to its optimum use. They gave speculation in vacant land such preferential treatment that, to quote Fortune's words, "they set it apart from the market action of supply and demand."

But if our tax laws harness the profit motive backwards, how can we expect the profit motive to work forwards? Ours is a tax-activated, tax-accelerated, tax-directed and tax-dominated economy, and every business decision has to be checked against these tax consequences. When property owners check the tax consequences of using land better versus using land worse, or spending money for improvement versus letting property decay, too often they find that our tax system penalizes what is socially desirable and subsidizes what is socially undesirable.

Here is the twofold way our tax system harnesses the profit motive backwards in the building industry: The first way is that it taxes the value of bare, unimproved land so lightly that the land owners are under no pressure to sell until they are offered many times what their land is worth. The tax is so light there is no restraint on the price of land, so its price, which reflects the capitalized difference between the rent the land can be expected to earn and the taxes it must expect to pay, soars clear through the roof.

Home builders have voted three to one that land price inflation is their number-one problem in trying to meet America's needs for better housing. I'll go further than that and state unequivocally that this intolerable tax-subsidized inflation in land prices is the only -- repeat -- the only reason why private enterprise can't hope to build new, big city housing cheap enough to meet the needs of middle-income families. It's the biggest single reason why private enterprise can't meet the housing needs of low-income families in the big city.

Now for the second way our tax system harnesses the profit motive backwards. The second way is that it taxes improvement so heavily that it

discourages improvement. That is the biggest reason why slums are the most profitable of all real estate investments and that is why slums are still spreading faster than urban redevelopment can clear them out. Twenty-seven years ago the report of the National Resources Committee pointed out that "Taxes on improvements discourage building and discourage improvement by reducing the profits the building or the improvement can earn, whereas," said the National Resources Committee, "taxes on land stimulate building and stimulate improvement by decreasing the price the builder has to pay for the land he builds on. So," the report continues, "state and local authorities should consider reducing the tax rate on buildings and increasing the tax rate on land in order to lower the tax burden on home owners and stimulate the rehabilitation of blighted areas and slums."

Five years ago the House & Home very distinguished roundtable on inflation unanimously agreed that "A substantial part of the local tax burden now carried by improvements, like houses, should be shifted to the land itself. Taxes are the only --"that's not me, this is the roundtable still -- "Taxes are the only important cost the land speculator has to pay, so taxes are the only brake on the price of land, which reflects the capitalized margin between the rent the land can be expected to earn and the tax burden it can expect to carry. The bigger the land tax, the smaller this margin will be and the less chance for big profits in land speculation."

Still quoting: "Taxing land more heavily would make the unearned increment in suburban land values pay the cost of schools and other community improvements needed to convert raw land into housing. Taxing land more heavily would let home builders offer better homes for less money.

Taxing land more heavily would reduce the taxes on good homes by increasing the taxes on vacant or underused land and, incidentally, taxing land more heavily would cut the cost of highway expansion by cutting the land costs needed for the right-of-way. The steepest price inflation of all has been the price inflation of land, but we have no land policy designed to bring the land needed for our population growth onto the market when it is needed. On the contrary, we make it easy by undertaxation for land speculators to hold their land off the market in anticipation of still higher prices later."

Once again, I say the only reason private enterprise can't meet the need of good middle income housing in our big cities is that land is so undertaxed its price soared through the roof. The average price of New York City land taken for redevelopment has been $486,000 an acre. How can private enterprise be expected to provide low-cost housing in the face of such land costs! When you have to pay too much for your land, you have to build high rise in order to spread your land cost over the maximum number of units, and when you build high rise your construction cost per unit goes up 60 percent. So the fact that you have had to pay too much for your land is thereupon compounded by the fact that you have to pay 60 percent too much for the construction that goes on your land.

More than 50 years ago Lloyd George warned the British Parliament that "Low-rent public housing bills will never be effective until you tackle the taxation of land values." Four years ago the report of the Mayor's Special Committee on Housing in New York echoed the same thought, asserting "The seemingly unstoppable spread of slums has confronted the great cities of the nation with chronic financial crises. The $2 billion public housing program here has not made any appreciable dent in the number of slum dwellings.

No amount of Code enforcement will be able to keep pace with the slum formation in New York until and unless the profit motive is taken out of slums by taxation."

Everyone at the urban redevelopment roundtable jointly sponsored by House & Home and ACTION, Pittsburgh, agreed: "The big reason why slums are so profitable and slum land prices are so high is that slumlords pay such small taxes per unit. They pay such small taxes because their buildings are so nearly worthless that they carry a very low appraisal. The worse the building, the lower the appraisal and the smaller the tax."

As for suburban sprawl, here are some of the ways our tax system abets it: One is that underassessment makes it cheap and easy for speculators to hold desirable land off the market for years, thereby forcing premature subdivision of land further out as developers leapfrog out into the countryside to find land they can afford to buy. In Nassau County here, for example, there is evidence that idle land is assessed at an average of less than one percent of its market value.

Two, land speculation is taxed not as heavily as ordinary income provided the land owner does nothing to develop his property. If he does do something constructive, he is then taxed at the full income tax rate.

Three, even the small local tax carried by land is fully deductible from state and Federal income taxes, which is another way of saying that a rich land speculator -- and most idle land is held in the hands of rich men -- most of whatever little land tax he does have to pay can be deducted from his Federal income tax.

Land today carries a much smaller share of the realty tax load and a much, much smaller share of the tax load than ever before. Fifty years

ago land carried two-thirds of the realty tax load and homes and other improvements carried only one-third of the realty tax load. Today, the proportions have been almost exactly reversed. Improvements carry two-thirds of the realty tax load and land carries only one-third of the realty tax load.

Fifty years ago land carried nearly half the total tax load in the United States, state and national. That was before the income tax, the inheritance tax, the corporation tax, the gasoline tax, the taxi-ride tax and most of the other nuisance taxes were piled on. Today land, which represents one-third of our total national wealth, carries less than five percent of the tax load. Just why the owners of slums and idle land should be singled out to be the beneficiaries of such undertaxation is beyond me. One hundred sixty years ago the pioneer classical economist Ricardo pointed out: "The interests of the land owner are directly contrary to the interests of every other element in the economy."

Actually, the value of unimproved suburban land and unimproved urban land derives 100 percent, perhaps more than 100 percent, from money the community has had to invest in roads, streets, sewers, schools, water supply, fire protection, police protection and other community facilities without which that land would be neither accessible nor livable. A recent study in Montreal came up with a truly fascinating statistic, that if the land owners of Montreal had to pay the city five percent interest on the city's investment in the community facilities without which their land would be unusuable for urban purposes and therefore worth almost nothing, if the land owners had to pay the city five percent interest on the city's investment in public facilities, the city could run the city government and operate its plant without collecting any taxes at all. Now, that's such a fascinating

statistic that I didn't believe it when I first read it, and I'm not sure I believe it now. But right here, close to New York, I can give you a statistic that makes me believe that perhaps what they found in Montreal was an understatement of the case.

The New York Regional Planning Association says it's going to cost $7,100 per additional family to provide the necessary additional roads and streets needed for the region's population growth from now to 1970. It's going to cost $4,100 per family for new schools. That is $11,200 per additional family for these two plant investments alone. Gurney gave you a bigger figure for the total this morning. Change that phrase "per family" to read $11,200 per lot, and you may get some idea of the vast investment of other people's tax dollars that is needed to make urban and suburban land usable and so make land speculation so profitable.

Take a simpler example of how our American system of public improvement for private profit operates. The taxpayers spent more than $400 million to build the New York Thruway, and the first effect of that public investment of $400 million was to add much more than $400 million to the value of land along the right-of-way.

Gentlemen, I believe in the private ownership of land. I even believe that most of the various schemes that are being tried all over the world for redistributing farmland to small owners are foolish because most small farms are uneconomic. Just because I believe in the private ownership of land does not make me believe we should make land owners rich in their sleep, to quote John Stuart Mill, by spending billions of tax dollars for their benefit and then collecting almost no taxes from them in return. It's high time more people understood that private property in unimproved land is

as different as night and day from almost all other kinds of private property. The value of almost all other kinds of private property derives from the effort of the owner or the efforts of the people that the owner employs. For example, if Time stock is worth $240 million today on the New York Stock Exchange, it is worth $240 million because we have worked together successfully on the owners' payroll to make it worth $240 million. But if the corner of Fifth Avenue and 42nd Street is worth $15 million today, hardly a dollar of that $15 million derives from anything the owners of that property, past or present, have done to make the corner valuable. Every dollar of that $15 million derives from the growth of the metropolitan community around that corner and the enormous multibillion dollar investment the community has made in facilities without which that corner would be good only for truck farming, and not very good for that.

Last year the New York Herald Tribune rounded out its six-part feature on who owns New York by asking: "What have these men who have made millions out of the soaring price of the city's land contributed to the city's development?" The Tribune answered the question with just one word: "Nothing."

Van Ettinger, the head of the famous Baucentrum in Rotterdam, who probably does more traveling around the world exploring urban planning problems than anybody else, stated very simply that: "It is impossible to have good planning in the face of land speculation."

Thinking primarily of the suburban land owner, I believe, Winston Churchill stated the case even more positively. He said: "The land speculator's profits are in direct proportion to the disservice that he renders the community."

What moral justification, then, can there be for giving land

speculation such extraordinarily favorable tax that, to quote Fortune again, "It frees land from the ordinary forces of the marketplace"? What excuse can there be for so many people saying that any plan to deflate the price of land by making land owners pay more of the community cost without which their land would be almost worthless is an attack on our whole system of private property? Why should we go on pouring billions of tax dollars into public housing and urban redevelopment without at the same time exploring whether it might not be possible to get the job done better and faster by private enterprise if the profit motive were harnessed forwards instead of backwards by untaxing the improvements, which are so now discouragingly overtaxed, and shifting most of the local tax burden to the unimproved land values that are now almost scandalously undertaxed?

All this, you may say, is fine in theory but will it work in practice. For an answer to that question, I guess I'll have to send you to Australia to see what happened. More specifically, I guess I'll have to send you to Brisbane in Queensland, where state laws since 1896 have forbidden any taxes at all on improvements but the unimproved land is subject, above a small exemption, to a nine percent ad valorem tax, regardless of whether you build a 50-story office building on it or use it to hunt foxes.

When I was in England last fall I had dinner with Oxford's No. 1 economist, Colin Clarke, who lived in Australia for 20 years. Colin Clarke told me unequivocally that Brisbane was, with its population of well over a million, "The only great city in the world without a slum."

Brisbane is not the only city where this business of taxing land and not taxing improvements has been tried in varying degrees. It's the law in Sydney, but in Sydney the land tax is not as stiff as it is in Brisbane,

so land-value taxation hasn't been applied there as strongly as in Brisbane, so the effect hasn't been as dramatic as in Brisbane. But people who have been to Sydney tell me that Sydney has deteriorating houses, but not a slum, which is a difference in degree just about in proportion to the difference in degree between the way the tax incidence goes.

In Melbourne, which is like Boston, a hodgepodge of 60 or 70 communities, in some of them they tax improvements and in some of them they don't tax improvements, and people tell me that as you move from one of these communities to the next, why, you don't have to be told that this is one where improvements aren't taxed and this is one where they are taxed. You see the difference when you just cross the street into the next community.

In New Zealand, the only city where improvements are taxed is Aukland, and I think it's not a coincidence that Aukland is also the only city in New Zealand that has an urban renewal problem.

It's also the same thing that is operating in nine cities in South Africa. And in Denmark it is estimated that 52 percent of the rental value of the land is taken in taxes.

So I'm not talking to you about something which just happens on Mars; I'm talking to you about something which is being tried on this planet and working on this planet, just about in proportion to what is being done.

And at this point I'm happy to tell you, Andrew, that I came to the end just at the same time you told me I'd better get to the end.

MR. LASH: The wind-up speaker this afternoon is Professor Vincent Scully of Yale.

PROF. SCULLY: I'm very happy to be here because I consider this problem one which is not only that of urban redevelopment in the United States

but also the basic modern one of the filling up of the earth by men and the ruining of that earth by men, to me at the present time the fundamental problem of humanity. However, after hearing the gentlemen who spoke here today, I am more than ever aware of my own incompetence to grasp the problem. I cannot grasp all its implications. I can't make an image of it. I can't see it as a whole. Now, I don't think I'm alone in this, though I may be worse than some.

I think the basic problem is the one of trying to imagine the shape of what we want to do. It seems to me that in any creative endeavor or in any endeavor of any kind, that statistics, the advice of experts and all these things, never by themselves add up to a form. It seems to me that the image always comes first, that the symbolic pattern is always imaged first, and only through that pattern, through that image, do we know what questions to ask; and it seems to me it's exactly at this point, in the inability to make an image, in the inability to grasp what the over-all image might be, that our basic problem lies.

I think that what we do image we will build. What we believe in we have built. For example, if we believed that the earth was holy and that the city was the highest work of human art, then we would be trying to build something like the Parthenon on the Acropolis in the circle of the Attic landscape.

The Greek image of reverence for the earth and pride in the achievements of man are completely embodied in the City of Athens. It was easier to do that, of course, when humanity was smaller on the earth. That is to say, when you had the hill and you had the circle, the plain and sea and the olive groves, then the balance was complete.

But now when humanity has expanded rabbit-like across the whole plain, you have a perfect image of modern times, humanity becoming too big for specific places and beginning, as they're certainly doing in Athens, to ruin the earth as they expand. In Athens you feel the problem exactly.

On the other hand, on the left is a typical Italian image, which is a little different from the Greek one. The Italian image, this fifteenth-century one specifically (slide on the left), is the creation of a perfect self-contained urban environment, exact, geometric, complete, luminous and entirely constructed in abstract human terms. The Italians, from the very beginning of their history, have built splendid towns.

But, it seems to me that the basic image which planners, most planners, seem to hold at the present time is one in which the actual physical solid of the city is destroyed. It seems to me that this is the case even with those planners who believe more or less in the Le Corbusier idea (slide on the left) of the Ville Radieuse; that is, concentrated upon large urban groupings. This is the system as Le Corbusier wanted to work it out in the Twenties, and as you see it in this development: the housing at Roehampton, of 1957, by the London County Council. Here the problem almost turns into one of landscape design. Humanity is brought into a park where buildings are widespread and the old solid physical fabric of the city disintegrates into a relationship between large structures to each other.

The other view, the one on the right, which is held by some other planners, fundamentally comes, I think, from English nineteenth-century conceptions. It's the opposite of the Le Corbusier conception of the garden city, invented more or less by the Englishman Ebenezer Howard; and you see an example on the right, Letchworth in England, of 1903, by Parker and Unwin.

Here the idea is to build, within walking distance of the railroad station, if possible, a village, so that again the solid physical integument of the city as a concentrated urban mass is worn away in favor of a kind of suburban image. Both of these points of view, therefore, Ville Radieuse or Garden City, dispite the fact that their philosophies are different, tend in some ways toward the same result, which is the dissolution of the city fabric as a solid.

As you can imagine, this conception and, indeed, this practice has gone farther in the United States than anywhere else. The whole tradition in America is of disliking the city, of hating it. The most vocal contemporary protagonist of that attitude is Lewis Mumford, whose whole book on the city is a hymn of hate against the city. You find the same basic idea in Frank Lloyd Wright, who would destroy the city by stretching it out completely across the landscape, to make what he called a Broadacre City (which is the one on the right), in which the houses, as many as possible, have an acre of land apiece. Each one is all by itself, and the physical solid of the city is spread out across the landscape, and the fact of the city as an image, as a perceptible shape, becomes more and more difficult to grasp.

Now, there has been a reaction against both these views, as you know, in recent days. It has been most vocally stated by Jane Jacobs, who more or less said: "We don't like all that open space. We don't want those towers. We like the old streets. The street had a quality. It defined the space and gave a strong play of people in relation to each other; and this is something too precious to give up."

Now, in England, too, this reaction has been very strong. In

England I think it's been perhaps more philosophically developed and rather more architecturally developed as well. The young English writers are romanticizing "the dark, satanic mills." They like them and the life around them, the tough and densely concentrated life of the solid, working-class slum.

This attitude is mirrored in the work of English architects like Stirling and Gowan. Here is a view of Preston, in England, and on the right is some new housing there by Stirling and Gowan. They have conscientiously set out to recreate the old environment: tough brick right up to the building line: not wide open spaces but an architecture compact, rugged, even stronger and harder in its forms than the old architecture which was there before. Stirling tells quite proudly how he was watching it as it was going up, and along came a child and said to another child, "Hooray! They're building up the slums again." And this quality Stirling regards as a positive one as against a more antiseptic social or architectural view.

If one does look around the world, though, the problem, if not its solution, seems clear. Perhaps it's clearest in Europe, because both the traditions are there, the old one and the new one. That is to say, at the present time it would seem to be a real contest between fixed places and movement, between the citizen and the nomad, between pre-industrial man and mass-industrialized man. It comes out pretty much in this contrast: on the left is the solid Italian town of San Gemignano, which is the old way where you are rooted into a place. The city is a symbol, solid on the top of the hill, and all the citizens take pride in its solidity. The other image (slide on the right) is the automobile. This is a traffic jam in Paris. So in Europe, in Italy say, you feel the conflict perfectly. These towns

are like rocks in a rising tide of automobiles, and I feel that in a year or two years the automobiles are going to wash right over them, and it's possible that all this will be covered up in the tide. You feel the two opposites very strongly there.

It seems to me that in America you do not feel that opposition because in America the basic image we have always held has been that of the road, not that of the fixed place at all. D. H. Lawrence, in his splendid little book you all know called "Studies in Classic American Literature", said that the main quality of the American was that he wanted to get away and he kept wanting to move. Lawrence traced, throughout our nineteenth-century imagery, the image of the road, the empty desert, the image of the empty prairie, of the sea, of all of these things which are movement, which are flux and flow. Such is beautifully expressed here on the left in this Currier and Ives print of 1868, the railroad going out across the country, the houses themselves fugitive; they'll be gone next year, no roots upon the land. The whole image is one of constant movement forward, and this movement is apparently the image, the basic intention of American life.

On the right a moment ago was the Brooklyn Bridge. It is a beautiful expression of the same thing, where the roadway seems to take off and sail free of all places, of anything fixed, and to go on forever across the sky.

I think, because of that, it's no accident that America led the world in the nineteenth century in ideas about the street. But ideas always <u>for</u> the street, always at the expense of the buildings. This is one of the 1870's, which you are undoubtedly familiar with, a section of New York where it was proposed to raise the street to two levels. It's a kind of subway

solution, not worrying at all about the fact that it cut off these buildings up here at the first floor. Everything is in this river, everything is in this flow, everything is in that street.

Or again, in this view of New York in 1908 from a guidebook, which is actually older in its earlier editions than 1908, "King's Dream of New York", you have a vision that is all movement. You have bridges between the skyscrapers, you have dirigibles above, and everything is in movement. The whole point is movement, rivers and flows of movement interpenetrating and making the new world, which is entirely the world of the multi-level street.

And again in 1939 an extremely important image, which is what was being discussed at lunch, Norman Bel Geddes' Futurama for General Motors, showing the world of the future; and for the motorist a moving street, which I understand has now come out in the new World's Fair in a terrifying electronic roadway to which you commit yourself and where you are carried, living or dead, to wherever you are supposed to go. In Bel Geddes' design the buildings seem, themselves, almost to be spinning with a movement that comes from the movement of the cars and the movement of the street, and the whole city is draining into the movement, into the flow. The flow with the automobile is taking charge.

Now, European cities and Europeans in general, because of tradition, resist this, and there are several good books on the subject. The "Architectural Review" has been carrying on a study of this for some time. There is a new book called "The Italian Townscape", and others of that nature.

Italian towns make laws against the automobile, and the very fabric of the town resists it. But the American town, from the beginning, gives way to it completely. I think a great deal of our redevelopment is seen in these terms.

In this view of Chicago, you feel how easily the town assents to being leached out by the great highway system. As Mr. Rouse was saying at lunch, one will accept the road; nothing can stop the road. If you want to build a road, the road goes through. Nothing can stop it. Whatever opposition arises is normally swept away. Why? Because, whatever we may say, it is really the only image we have,yet be able to grasp. The image of the road: It is the only one that is believed in firmly, sensed symbolically enough to have people consent to its use -- that and the desire to get away in the private automobile, to escape as individuals upon those dream avenues of highways. How long will that continue to be possible, one man, or child, in a couple of tons of automobile twenty feet long?

The American yearning for the empty space, for the new world, for the new world of fast movement and so on, has made America, I think, especially susceptible to Le Corbusier's more fevered dreams of the 1920's; that is to say, on the left is his Ideal City of 1922 -- and I would take a certain amount of issue with my friend Dean Kelly by saying that in fact a great many planners are working within an image that was created long ago by this architectural "star". In its conception he owed a good deal, of course, to the Italian Futurists of the Teens. I don't say it's necessarily a good image by any means, but it's the image of movement. What fun it is to drive a car rapidly, and so on. Skyscrapers far apart, as here, are fundamentally Le Corbusier's contribution, his architect's image of the Twenties, and you can see why, when Le Corbusier came to New York, he said that the skyscrapers were too many and too small. And you can feel on Park Avenue that the skyscrapers are destroying the old Avenue, are setting the framework for a street like the one on the left, in which there will be nothing

left but the towers which, ideally, should be as far apart as Le Corbusier wanted them to be, and where you feel the new city, right before our eyes, taking shape in conflict with what was there before.

Again, here in New Haven (on the right), where this slide is of the Redevelopment project of the Oak Street connector under construction -- I haven't the heart to show it as it stands at the present time -- where, with all the best will in the world and great political courage and good intentions, the whole thing turned into a bit of a disaster precisely because no clear image of what was possible had yet been formulated when it began. Perhaps parts of New Haven should be seen as proud casualties in the forefront of urban renewal. But here the concept of the road made a desert. An inadequate control over the design of this appalling building also played a part. It will all probably improve, I think, especially as the Johnson Building goes up across the street and starts to close in the space a little bit.

Of course, the United States has not yet constructed any over-all city of road and emptiness like Brasilia, the new capital of Brazil. It's the same image (Le Corbusier's early one of 1922). The fundamental idea hasn't changed one whit, despite whatever sociological objectives, statistics, and so on might have been involved. That is what is built, what was preimagined as a physical reality. It's the continuous avenue with the big super blocks out in space, and you have this world which is purely that of the road.

In the United States, of course, that road has gone out farther than it has anywhere else. It goes all the way out to the suburbs. And the effect is to make everything much the same in the sense that the center

of the city leaches out and empties as the land fills up outside it.

So in this difference between how marvelous it is to have crowding and how splendid it is to have open space, both those things are disappearing and everything is becoming -- well, really the road, because the road dominates in the city and the road dominates in most housing developments, precisely because the houses are not strong enough, upstanding enough, to define it. It is the road everywhere which is the fundamental image which is made.

Now, if that's the case, a number of architects, Le Corbusier among them, have tried to use the road to make the city. If the road dominates -- and, in Le Corbusier's view, one can almost feel that's what he wanted -- why not make it <u>be</u> the building. In the early 1930's he proposed this scheme for Algiers, in which he tried to pick up the sweep of the topography in a great roadway, which is also in part a building, as a great shape, fantastically scaled, which sweeps out across the shore. Then other building developed by this crossroad, which ran out to the top of this grandiose building by the sea, the buildings next to it like segments of road, twisting and turning in vast curving, twisting shapes like embodiments of movement. This is a scheme in which it is the roadway which becomes the building, so that the rest of the land is simply the landscape. It's an attempt to take the basic compulsion and make of it all the shapes, so rationalizing and, in a curious sense, making usuable the road in terms of living.

It's something like this, but with a differentiation between pedestrian movement and car movement, that characterizes the new, rather interesting addition to the City of Toulouse in France, in a district called Le Mirail, largely by pupils of Le Corbusier. (Candillis, Woods, etc.)

It's largely according to a principle that I'm sure a good many of you are familiar with: You have a circulation system like this, and it's sort of running down the contour, and the buildings are in fact pedestrian paths, and other buildings hook into those paths and you feel the movement. You see the vehicular road like this. The paths are with them, but slightly different, so that there is a kind of rhythm between the two. But the car road is suppressed. The other buildings are a road, but at foot scale, at pedestrian scale, and there is a continuous walkway that goes through them. And it's with that principle of walking, seeking a level, moving down the contour, that the whole plan develops.

Maybe you can see it better in the schematic plan rather than in that view of the model, in which you see the highway system with its parking areas looking like a dogwood tree. The whole thing is almost like water seeking a level as it goes down the hill. It's the road which becomes the hook-on device for the buildings.

This is what Louis I. Kahn had in mind in his visionary schemes for Philadelphia, which he called "Viaduct Architecture". This is a quick drawing of his of 1962. It looks almost like an American abstract expressionist painting. These black lines are automobile roadways, which he uses to define a central space. A heliport would be here, a convention center here, and so on and so on, reservoirs, a sports center, finally the Market Street east area, which is all enclosed in great shopping and parking hemicycles and by a wall which is a roadway. But the cars are up above and concealed, and the rest of the viaduct is a building. It is consciously used as a wall but is full of gates. Cars aren't kept out of there; they can go in in certain very carefully prepared movement patterns, but the

viaducts really do give the area a clear definition. In other words, a compaction -- a volumetric image of the center of the city by the use of the road as a building.

Now, the background of this is, of course, very interesting. You are all aware of the problems, so I will only mention this quite quickly.

As you know, Penn's plan, while not characteristic of all of Colonial plans in America, is nevertheless the Colonial plan par excellence, going way back to Greek colonies and beyond, in the sense that it's a grid plan. Philadelphia has a shape or at least the center of the city does, set as it is between water, with the rivers on both sides. And you will recall, then, that the typical thing happened: The railroad came in here. By the early Twentieth Century there was the city beautiful, the Beaux Arts conception of a beautiful long avenue, or a long avenue anyway, that went way out here, came in at a diagonal through the grid, like Paris -- and all in here is the railroad that came in, making the so-called Chinese Wall that cut the city in half. The element of transportation was a barrier, just the way most roadways coming into the city are at the present time. And you know what Mr. Bacon and the other planners did there. That was eliminated and they built out in that direction where the railroad had been. That axis is continued on the other side of City Hall in the Market Street East area and is finally crossed by the axis of Independence Mall.

It seems to me one problem there is that there is a certain unilinear restriction to the kind of space which is created. It's not the old Chinese Wall but it sort of follows the old Chinese Wall and extends it. And you have this rather strict unilinearity which tends to develop because, of course, it was fundamentally a line that was to be redeveloped.

Kahn's view is seen in this drawing by him of 1957 -- the drawing is '57 but the study was made in '56. Kahn's intention is to try to get a volume in a rounded enclosure. Of course, this is a fantastic drawing, but it is based upon Kahn's careful study of the problem. This other is from the Philadelphia Planning Commission, and you see its project and the pre-existing buildings as they are here. Kahn made his own study of the way traffic moved and decided that perhaps the most important thing one could do would be to define the center of the city by parking garages which were also office buildings, so that he tried consciously to arrive at a monumental shape instead of trying to hide the garage or make it just the plainest building, or, worst of all, to leave the cars in open parking lots. I think everyone agrees that open lots are the one purely disastrous solution to the problem. They really do empty the city and turn it into vulgar chaos. In most American towns such lots do indeed dominate the architecture. But here Kahn tried to put in buildings for cars which defined the space in which what one might call pedestrian buildings, like this one, might be deployed. This tower, integrally wind-braced, is an example. The street continues down and under it for parking. The street is the building below, while the building above is like an image of human force, with its big joints, bracing itself, standing on its legs over the integral parking, the integral street underneath it.

And then finally by 1962 what Kahn has done is to throw out most of those rather grandiose parking garages for a scheme that's perhaps equally grandiose but where you have to come to the conclusion that, as I indicated earlier about "viaduct architecture", the street becomes now not a unilinear ribbon that takes you out of the city, that bleeds the city out,

but just the opposite: a wall which defines the city. But it's not an impenetrable wall, not an unusable wall, like the usual exposed parkway coming into the city. It's a perforated wall, a consciously built building walling off the center of the city with the monumental shapes around it and with the cars concealed in it but with beautiful lighting and designed for the different levels of traffic as they move through it.

And Kahn got all this from a pre-existing vision, an image in his mind, you see, of the medieval town of Carcassonne, which he loved. Viollet-le-Duc's reconstruction of Carcassonne in the south of France has all these shapes, the hemicycles, the wall, the rounded shapes -- all the shapes that are in Kahn's ideal image of Philadelphia. For Kahn, too, a pre-existing image was necessary for him to begin to think about the problem. He calls his wall a wall against decay, in that sense for defense, like the old fortification walls of the Middle Ages.

There is one town projected which I'm sure a great many of you know very well, one of the English new towns, Cumbernauld, where the attempt is to make a new town which does not have that sort of loose, subtopian, semi-suburban scale that so many new towns unfortunately have. The idea here is that the heart of the city will be basically one building; the city center will be one building and therefore will be concentrated and monumental. It wouldn't take up a lot of space but would be like those Italian towns -- hopefully, a concentrated, strong, complex, urban experience.

This is a view of Cumbernauld, with the housing over here, the whole projected city center and the central part here, with an indication of the portion which they expect to build first. You see, it's a little bit like Kahn; certainly the English admire Kahn very much.

Here the car slides in under this sort of fortification wall, but the main, big car entrances are here, going this way into the city. There is a cross-road, though, as you can see, going in underneath. The axes cross, as in so many of Wright's early houses.

This view of the model of that central part unfortunately has the church looking like a crematorium, which is a little disconcerting. But the road goes across like this. The levels have multiple crossings like "King's Dream of New York". But all is one building. Here there are various kinds of chambers. Here penthouses; and so on -- retail shops. Out of this the architects purposely develop a maximum concentration of activity, a challenge, force and purposeful chaos. It is what Le Corbusier called "tumult" in the relationship of the forms an urban emotion evoked.

Indeed, the image here is again taken from Le Corbusier. These great piers that lift these cell-like penthouse units derive very clearly from Le Corbusier's monastery of La Tourette,where the sense is of the lift of those monk's cells high above the hill slope. This is what they want here, the lift above the traffic, over all this activity, of those mid-city housing units above.

At La Tourette Le Corbusier consciously made use of forms in the courtyard which are very tough, very hard and demanding. It's that kind of shape that's wanted here. It's a little bit like Stirling purposefully rebuilding the slums. It seeks to extract an image from the real toughness of city life -- to make a positive quality out of it, which is not explained away but welcomed and, in that sense, both used emotionally and exorcised of its more unpleasant manifestations.

You can see how the architects tried to do that here. There

is probably little doubt that they will foul it up somewhat when they build it. But in any event, in the conception the point is concentration, force and activity, and it derives from one of Le Corbusier's images once more.

I think you see it here, the drama Le Corbusier extracts, in which he tries to make the image of the city something really tremendous in the landscape. In that sense, it's like the Italian town. And the architects are perfectly aware of this, of course.

In this very vulgar drawing of theirs on the left, you get, nevertheless, the image they're trying to achieve. You're roaring toward this thing, and there is that splendid thing rising up. You say, "There it is, the city. What a terrific place that is." It's like the Italian feeling. As you come to the city, you see all those proud towers rising and you say, "That's the city. What a thing it is." The image is clear, and that's what they're trying to do.

At a distance the architects show you the way they would like the town to look in the landscape, and again it is San Gemignano from farther away. The earth remains the earth, the city center is seen as concentrated, and the whole point is of the man-made image in contrast -- indeed, in balance -- with its opposite in the landscape. At the same time the architects release out here the highway for its undoubted joys and for a sense of movement, that sense of sweep, where it's appropriate: in the open landscape. You have that too, but you have its opposite in the concentrated city. It isn't all road. It's both, ideally. The image becomes almost the Greek one: that is, the concentrated image of human pride and accomplishment in the center and in balance with the landscape, which is also respected and, in many changing ways, enjoyed.

Finally, it seems obvious that the image we are after is very difficult to grasp, and yet the objectives, I would hope, must be clear. That is to say, it would seem to me that those objectives would not be much different from those that have always seemed to exist in the human heart; that is to say, to extract from the association of men with each other the maximum force, the maximum meaning. Architecturally speaking, that means concentration in some form. And then the opposite: to leave the earth alone, to leave it alone as much as possible, not to fill it up, not to cover it over like locusts or lemmings but to leave it alone, to have as much as possible the two things -- wild nature as it is and the city, men in relation to each other, as however that might turn out to be. Here, I should imagine, is where you come in, because the American image is going to have to change if any of this is to be accomplished. We have hated the city and ruined the land. The road is ours, and many patterns are surely still possible there, but I have a feeling that they are not enough any more.

I think that Le Corbusier, in his capitol center for Chandigarh, the capitol of the Punjab, states the final point as he raises the High Court building so that it must be seen in relation to its opposite, which is nature, the range of the Himalayas beyond. Here the human act is balanced with nature's law, in terms of which, of course, it is always judged in the end. Somewhere there the whole image lies, as we try to create a decent and reverent order in that universe within the universe which is the work of human art.

MR. HEISKELL: I want to thank our panelists for coming. I think we have run out of time. I also want to thank our editors for listening.

I think you gentlemen have really stimulated my colleagues, and

hopefully something will come out of it.

Thank you very much again. I appreciate it immensely.

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MEMO *from*

ROSEMARY PLESSET

Urban Renewal

To: Senator Humbert Humphrey

I thought there might be some good ideas on urban renewal in this speech which came to my attention.

I canget Timex watches wholesale. The way you are losing them, you need a dozen. I enclose a clipping of a sequence of pix which may amuse you.

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SPEAKER: Of all the domestic issues that confront us, I can think none where the Goldwater position is more bankrupt than urban renewal. Senator Goldwater has consistently opposed--and there are very few things he does consistently-- Senator Goldwater has consistently opposed each of the following:

public housing for low income groups...
adequate programs for middle income housing...
adequate urban renewal programs...
government loans for housing of older people...
adequate government assistance for housing of college students.

Actually, Senator Goldwater believes the Federal Government should have nothing to do with housing. He feels that somehow it would destroy the initiative of ten million Americans if the Federal Government were to help them leave their dilapidated, sub-standard homes and relocate in decent dwellings...where they can live in dignity.

He sees nothing wrong in the Federal Government financing a billion-dollar water and reclamation program for Arizona. But somehow, helping city slum dwellers goes against his individualistic, public-be-damned grain. He prefers to let them live right where they are...without hot water... without modern sanitary facilities...

and without help...because help, he says, would destroy their initiative.

A strange morality from a man who pretends to preach morality! A morality the Democratic party completely rejects.

To the Democratic party, the principle that government has an obligation to improve the living conditions of its citizens is an article of faith. It has been ever since 1937, when Franklin Delano Roosevelt signed the Housing Act which--for the first time in history--provided Federal loans and grants for the eradication of slums and for decent, safe, sanitary homes for families with low incomes.

Again under a Democratic administration, Federal aid for Urban Redevelopment was first provided. I refer to the 1949 Housing Act, signed by President Truman.

And in 1960, the Democratic platform on which John F. Kennedy ran asserted the right of every family to a decent home. It aimed at eliminating slums in a single decade.
It supported a construction goal of more than two million homes a year.
It pledged substantial low-rent public housing and a stepped up urban renewal program.
It promised special mortgage assistance with low interest rates, long-term mortgages, and reduced

down-payments to aid middle income families.

In May, 1961, President Kennedy ordered the FHA interest rate on home mortgages cut from five and a half to five and a quarter percent.
And the Omnibus Housing Bill, passed during the Kennedy Administration, made it possible for people with incomes between four and six thousand dollars a year to build homes.

And would you believe it? There is no record of anyone's initiative having been destroyed or even the slightest bit bruised.

Today, President Johnson wants the Feredal Government to get into the business not just of helping people get better housing. The Johnson Administration wants the Federal Government to build whole new communities...complete with all public services...with all the industry and commerce needed to provide jobs...with sufficient housing and recreational and cultural facilities for moderate and low-income families, as well as for the well-to-do.

He wants the Federal Government to help pay for the planning of these communities...and to lend money to build the streets, schools, parks and other public works they will need.

And He wants the Federal Government to insure

mortgages to help private developers buy and improve the land on which these communities will be built.

Actually, what President Johnson wants is a federal partnership with local government and private developers to achieve orderly urban growth.

What Senator Goldwater wants is to get elected. That's about all he's in favor of...because he voted against the Housing Acts of 1955, 1959 and 1961...against urban renewal...against the Mass Transit Bill...against the creation of a Cabinet Department of Housing...against pblic, middle-income and farm housing.

As soon as Senator Goldwater discovers something is good for people, he's against it.

How different is the Democratic approach! In President Johnson's message to Congress this year, he specifically asked for permission to buy or rent existing housing for low or moderate income families.

He proposed legislation that would provide financial benefits for families and for businessmen displaced by public housing and urban renewal projects.

He recommended the construction of fifty thousand additional public housing units for each of the

next four years.

He asked for one and four-tenth billion dollars for urban renewal for a two-year period.

He called for Federal aid for rural housing programs.

He asked for a two-year subsidy to help low and moderate income families, displaced by urban renewal, to relocate.

These are just some of the positive proposals of the Johnson Urban Renewal Program. They are compelling reasons for voting for President Johnson.

It's really very simple, my friends. The Democratic party cares about urban renewal because the Democratic party cares about people. Barry Goldwater is against urban renewal because he really doesn't care about people at all. He cares about Barry Goldwater.

And the Democratic party knows what the Goldwater party either doesn't know or chooses to ignore---namely, that urban renewal is necessary and vital to the development of our country. And that it is possible only with the active partnership of the Federal Government...because only the Federal Government has the financial resources to do the job.

Senator Goldwater likes to pretend that he just might favor welfare legislation if only the big, bad Federal Government weren't connected with it.

Let's take a look at the record. As a member of the city council of Phoenix, he opposed municipal action on housing, opposed a municipal parking lot, opposed an urban renewal plan, even opposed a housing code.

Can there be any doubt that what Goldwater calls the principle of individualisn is really a cynical cover for private greed? Ask the 25,000 Negroes and the 65,000 Mexican-Americans who live in slums in the sun-drenched city of Phoenix.

There's another aspect of urban renewal I want to talk about today (tonight). That is mass transit.

I think even Senator Goldwater would agree that transportations systems for metropolitan areas are going to pot. Surely he has heard how rising costs have forced prblic transport systems to increase their fares...causing the number of passengers to drop and transit service to deteriorate...causing more and more people to use automobiles, which jam our highways and freeways, choke our central cities, and seriously hampers our economic life.

And what is the Goldwater solution to the mass

transit problem? None.

No program...no interest...no concern whatsoever.

In his horse-car world, there is no mass transit problem.

President Kennedy stated the problem briefly and completely in a message to Congress. He said: "An efficient and dynamic transportation system is vital to our domestic economic growth, productivity and progress."

He understood, just as President Johnson does, that it is obviously in the national interest to encourage the development of efficient mass transit and suburban rail systems.

In April of 1962, President Kennedy recommended a $500 million program in Federal grants to help cities build new commuter facilities and improve old ones.

In April of 1963, the Senate approved a scaled down version of the Kennedy program, providing $375 million in grants.

And on July 9 of this year, President Johnson signed the Mass Transit Act of 1964, which authorizes $375 million in Federal grants to states and localities for the purpose of helping public or private transit companies provide adequate mass transportation in American cities.

The Mass Transit Act has three purposes: to assist in the development of improved mass transportation and facilities.....to encourage planning and establishment of area-wide urban mass transportation systems....to provide assistance to state and local governments in financing such systems.

Financial help is to be extended under two programs of matching grants---a long-range program and an emergency program.

Frankly, the Mass Transit Act is designed to help underwrite, not replace, the community's responsibility in the matter. But to Senator Goldwater, as long as the Federal Government has anything to do with mass transit, he's against it.

If Barry had his way, we'd be back living under the Articles of Confederation, wondering how on earth we'd ever get up enough nerve to ask the states for money to pay the army, or build roads, or print postage stamps.

You see, my friends, it narrows down to this: If Senator Goldwater is unaware that our society has changed from a predominantly rural to a predominantly urban one, he shouldn't be running for president. Many people think he shouldn't even be in the Senate....because there are so many things Barry Goldwater just hasn't the background to understand - - not the least important of which is the crying need for urban renewal.

We Democrats have always understood this need. And we intend to make urban renewal a reality.

MASSACHUSETTS INSTITUTE OF TECHNOLOGY

CAMBRIDGE 39, MASSACHUSETTS

November 30, 1964

The President
The White House
Washington, D. C.

Dear Mr. President:

I have the honor to submit the report of the Task Force on Metropolitan and Urban Problems established at your direction.

The privilege and pleasure its members shared in the opportunity to be of service was diminished only by the tragic death of Mrs. Catherine Bauer Wurster, the week preceding the completion of our final draft.

Mrs. Wurster had served on the Task Force with great distinction and many of its most significant recommendations were hers. Moreover, her imprint on the basic philosophy that underlies our approach is unmistakable.

We believe that the report as presented, faithfully reflects her major convictions as it does all other members of the Task Force. Accordingly, we are pleased to transmit it as a unanimous one in all essential respects and recommendations.

May we also acknowledge the major contribution of the members of your Administration who joined in our work. Mr. William Ross and Mr. G. Phillips Hanna of the Bureau of the Budget, Mr. Morton Schussheim of the Housing and Home Finance Agency, Mr. Dean Costin of the Department of Health, Education, and Welfare, Dr. Leonard Duhl and Mrs. Antonia Chayes of the National Institute of Mental Health provided assistance and counsel far beyond the limits of their official duties.

Let me add that your recognition of the urgency and importance of our Nation's urban needs is a source of great satisfaction to the Task Force. Its members hope that the report may be useful to you in fashioning policies to ensure that American urban communities in the future will be great in spirit and in quality as well as in size.

Sincerely,

Robert C. Wood

Robert C. Wood
Chairman of the Task Force on
Metropolitan and Urban Problems

Enclosure

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* Deceased.

November 30, 1964

SUMMARY OF RECOMMENDATIONS

The United States has been an urban nation for at least 60 years. Across a span of about 30 years in some limited areas of public policy, we have acknowledged the problems increasingly stemming from urbanization.

Yet we have never fashioned a genuine national response to this rapid, expanding process of urban development. This report is directed to that end.

As a result of its deliberations, the Task Force finds that:

(1) The choices of urban Americans in where and how they live, how they work and use their leisure time, and how they participate in community life are unduly limited by a process of urban development that imposes

a. costs higher than they have to be;

b. waste in natural resources more than is necessary;

c. stresses and strains on individual citizens more than they ought to bear.

(2) In the alleviation of these conditions, the role of the public sector is vital, for increasingly urban economic development depends on the availability of community facilities, services, and amenities that only government can provide.

(3) Although local and State governments have responded vigorously to the tidal wave of urban growth, limitations of resources and authority have prevented a comprehensive, consistent attack on major urban problems.

(4) New Federal efforts to reinforce and support State and local action are, therefore, necessities of modern community building.

In the recommendations and supporting analysis that follow, the Task Force seeks, as its principal goals:

(1) The extension of individual choice for urban citizens in the entire range of communities that now constitute the American system of urban complexes, including aid to relatively small cities with strong

economic futures, the urbanizing areas, and the giant metropolitan regions that encompass millions of our citizens and hundreds of local governments and blend almost imperceptibly into one another.

(2) The city humanized by giving much more attention to the development of human and social resources.

(3) A physical environment of form and structure that the citizen can grasp, understand, and act upon effectively.

(4) Coherent forms of public organization to help shape the city at all levels of government with the help of additional resources for research, planning, and development.

(5) A maximum role for the private sector and a preference for the use of local initiative wherever the choice exists.

Many of these goals are found in present urban assistance programs. But continuing the present array of urban aids, good as some of them are, is not enough if we are to build cities good as they might be. Too many of our assistance programs are now obsolete in terms of contemporary urban needs and they are fragmented in administrative impact. Moreover, they are not effectively directed to problems and areas of highest priority.

Therefore, the Task Force recommends policies based on these key principles:

(1) Workable programs--comprehensive local determinations of area-wide needs, whether by cities, counties, metropolitan regions, or States;

(2) Block grants and flexible aids--with better Federal coordination and with special inducements for responsible action at the metropolitan level where necessary, whether by local cooperation or by State initiative;

(3) Continuous improvement in social and environmental policy and in design technology--through a research and development approach, including systematic large-scale experimentation in selected areas with full local collaboration.

(4) Presidential leadership--through an Urban Affairs Council chaired by the Vice President, thus employing an instrument that has proved effective in the inauguration of other great national programs.

Program Recommendations

A. The social environment. To help make the cities more livable for all, to correct present imbalances between facilities and services,

and to assure comprehensive social services to those who need them, the Task Force recommends:

1. A block grant for urban services, based on indices of comparative community needs, to assure that vital community facilities are adequately staffed and maintained according to local priorities.

2. Specialized community facilities grants, separate and distinct from present programs, that take into account municipal fiscal capabilities, for construction of such public facilities as community centers, health stations, and cultural and scientific centers required for social development activities.

3. These assistance programs to be contingent upon local preparation of Social Renewal Plans prepared and carried out by a local agency charged

a. With the responsibility for coordinating all major social services and

b. With developing pathfinding procedures that assure readily accessible comprehensive assistance to those in need.

4. Special migration aids applicable in out-migration areas through existing social service and education programs.

5. Extension of the Federal Executive Order on Equal Opportunity in Housing to all types of mortgage financing.

6. Full implementation and expansion of the various programs of Federal aids for training State and local personnel to upgrade capabilities in administrative, professional, and technical expertise with emphasis on law-enforcement personnel.

B. The physical environment. Federal programs of assistance to the physical process of urban development now require restructuring and shifts in emphasis. The Task Force accordingly recommends:

For urban renewal, a redirection to stress comprehensive residential renewal, including:

1. Increased Federal assistance to city planning and code enforcement activity.

2. Adjustments in organization and administration of local renewal authorities to place more emphasis on actual implementation of "workable programs" and increasing the share of Federal aid going to residential programs.

3. The inauguration of residential renewal projects on a scale adequate to alter the character of entire neighborhoods by both rehabilitation and rebuilding assistance suitable for lower- and middle-income groups.

For new development, new programs to encourage diversity and balance at the suburban fringe, including:

1. Continued support of Administration proposals to encourage large-scale, balanced, new communities

   a. Through insurance and loan procedures covering land acquisition, development, and facility costs for private developers and local governments, and

   b. By grants and loans to public agencies or non-profit development corporations chartered by the States.

2. Grants for basic urban public facilities emphasizing the construction of facilities on a regional basis through collaborative local government arrangements.

3. These assistance programs to be contingent on their correlation to a general regional planning process including both physical and social components.

For urban transportation, renewed emphasis on the key relationship between transportation and land-use development, including:

1. Full implementation of the planning requirements of the Federal-Aid Highway Act of 1962 and the Urban Transportation Act of 1964, and

2. The establishment of a Presidential commission to consider urban transportation requirements in terms of urban development, including a review of transportation planning arrangements and their effectiveness in meeting urban transportation needs.

For housing, the temporary relative adequacy of the total housing stock permits concentration on:

1. Direct attacks on rising housing costs through:

   a. Recommendations on research and land development and

   b. A temporary National Commission on Codes and Zoning to examine the current local practices and develop criteria for evaluating public protection versus increased private costs.

2. Redirected efforts to make upgrading of the housing inventory through code enforcement practical through the "pull process" of providing additional housing at the lower income ranges rather than the ineffectual "push" of reliance on the police powers of the States. Such efforts would include:

a. Greater flexibility in the provision of low-rent public housing including use of existing housing through purchase or leasing,

b. Use of direct rent supplements available only in standard private housing, and

c. Development of programs of direct financial subsidies as alternatives to heavy reliance on below-market interest rate direct loan and mortgage purchase programs.

3. Increase emphasis on the housing needs aspect of all federally assisted urban planning activities.

C. Economic development. While placing greatest stress on the key elements of public sector infrastructure, the Task Force fully appreciates that in the aggregate the bulk of city building activity is for and financed by the private sector. Further improvements in the market mechanisms that serve that sector are recommended, including:

1. Improved effectiveness of Federal Housing Administration housing mortgage insurance through:

a. Re-examination of the economic assumptions underlying mortgage insurance operations and premium charges, and

b. Development of experimental programs of co-insurance to increase the relative role of private lenders in dealing with "standardized situations" within the context of the FHA insurance operation.

2. Strengthening the private financial institutions which provide the bulk of private mortgage funds by:

a. Extending the present regional mutual savings bank system to a national basis and

b. Broadening the mortgage investment powers of savings and loan associations to include broader aspects of community development.

3. Strengthening the effectiveness of the public/private partnership in urban development through:

a. Establishment of national, State, and local Councils of Redevelopment Financing Institutions (CORFI) to make the funds and knowledge of private institutions more readily accessible for participation in the urban development process and

b. Establishment of a self-supporting "Urban Development Fund System" to provide a source of repayable advances for the initial investment needed by civic, nonprofit groups to accomplish the vital initial steps in such projects as sponsoring housing projects for the elderly, cooperative housing or moderate-income rental housing.

D. Organization. The effectiveness of urban assistance programs will depend in large part upon the effectiveness of the public instruments to design and execute their respective responsibilities within the framework of creative federalism. Essentially, the Task Force has conceived of its program recommendations as having the effect of:

1. Strengthening political leadership at local and State levels to bring heretofore separate activities into a comprehensive strategy. In addition, it offers separate organizational proposals to:

2. Strengthen Federal leadership by:

a. Establishing within the Executive Office an Urban Affairs Council chaired by the Vice President and staffed to develop coherent urban policy for the variety of Federal programs affecting to its implementation;

b. Establishing a Department of Housing and Community Development comprehending at least housing and physical development assistance programs;

c. Strengthening the Secretary's Office and central programming and policy functions in the Department of Health, Education, and Welfare to recognize the increased importance of welfare and education programs for an effective urban strategy; and

d. Reinforce the Federal capability to support State and local policies through strengthening of Federal regional operations and subsequent decentralization of program responsibilities through:

(1) The establishment of State and metropolitan regional Federal co-ordinators able to respond comprehensively to the urban and regional plans that will be emerging from States and localities--initially by facilitating information flows and later by programming of Federal assistance programs.

(2) Providing set-aside allowances in single-purpose aid programs that can be used at the discretion of Federal administrators to provide generalized or experimental assistance for State and local programs.

(3) Providing more favorable matching requirements for programs carried out through appropriate collaboration arrangements.

3. Providing the additional knowledge and skills needed for shaping and carrying out effective urban policies through:

a. Establishment of a National Institute of Urban Development dealing with economic, social, and psychological problems as well as issues of technology and design,

b. Development of the urban extension service in collaboration with the urban-oriented public and private universities, including regional staff colleges for State and local elected public officials as well as for professional, technical, and administrative personnel, and

c. "Demonstration" City--a selection of typical cities through White House procedures to develop a model program of on-going and newly conceived urban aids and to accelerate the impact of the varied human development programs.

SECTION I

Introduction

Providing choices in social, economic, and political life is the prime function of an urban community. Now that the United States is a nation of cities of all sorts and sizes, the maintenance of free choices for its citizens is an increasingly complex affair. But the need to ensure options in choice of residence, place of work, meaningful leisure time activities, and effective civic participation was never greater.

The principal aim of this Task Force is to preserve and extend these options in an era of population growth and city building unmatched in our history.

We propose to do this through new approaches in national public policy responsive to the dramatically new kinds of urban communities that are now evolving.

We recognize that the battery of present Federal aids had the same goal of expanding the range of opportunity for urban citizens.

-- Since New Deal days, a persistent concern with the disprivileged has been evident.

-- Since World War II, increased efforts have been made to improve the provision of shelter, upgrade the urban environment, and maintain the vitality of the central portions of our expanding regions.

-- In the last four years especially, the tempo in providing effective assistance to all parts of the urban community--in the Housing Acts of 1961 and 1964, in the revisions of welfare and education legislation, in the Economic Opportunity Act, and the Mass Transportation Act--has accelerated sharply.

-- These Federal actions have been accompanied by imaginative and forceful measures at the State and local level which make these governments "the most dynamic" sector of the American economy.

But the fact remains that excessive costs, wastes, and tensions in the process of urban development unduly restrict the exercise of free choice in our urban communities.

-- Negroes and those with lower incomes (in particular, newcomers to the city) are unnecessarily and arbitrarily restrained in their choice of location and too often forced to settle in the older, dilapidated central portions of the urban community.

-- In contrast, moderate-income groups are often forced to settle outside the central portion whatever their preferences for types of housing and social environment.

-- Those seeking diversity in their neighbors and their neighborhood environments are thwarted by the increasingly sharp divisions by income, age, and racial groups between old and new portions of their community.

-- All urban residents find their private choices narrowed by the repetitiveness of suburban development and the unnecessary inflation of land prices in strategic areas. They find the choices that are available cheapened by deficiencies in community amenity: polluted air and water, congestion, blight, and sprawl.

And the fact is that the policy base of major Federal programs remains narrow; the responsibilities for programs are widely diffused throughout the executive branch, and the organizational and administrative capabilities of these programs correspondingly restricted.

With the benefit of hindsight, requirements in three large areas stand out:

1. The social environment. Much more emphasis should be placed upon the development of human and social resources, as well as upon stimulating the physical and economic growth process. We are convinced a number of serious imbalances have developed as our physical and social programs have grown--imbalances between parts of the country, communities of different types, and parts of the population.

We must now concern ourselves with the negative side-effects of many governmental efforts--welfare programs, educational programs, housing programs. We must place new emphasis on the human goals of these and other programs and must refine, reformulate, and reorganize the programs so that they are more effective in achieving these human goals.

2. The physical environment. The time has also come to expand and reorganize our efforts to shape the physical environment of urban life. More Federal urban aids are needed, if we are to improve--or even maintain--the quality of our housing, our urban transportation, our parks and playgrounds, our schools, the surrounding environment of air and water and soil. The issue is not simply "more"--though it is also "more." It is a question of "what kind," "for what size area," "in what form." We must consider the needs of large urban systems together in our efforts to improve the physical environment, not only for economy and for greater amenity but also to introduce an order into the environment that the citizen can grasp, that he can understand, that he can act upon effectively.

3. The economic environment. City building in the United States goes forward principally and appropriately through the private sector of our economy. Today the opportunity to attain public goals through private means is unparalleled in our generation. The supply of available investment funds, and the availability of new instruments for public-private collaboration make it possible to bring great resources to bear on the process of community development. To realize this possibility, old policies and programs established in the depression years need to be re-examined and new instruments of collaboration created. Most of all, the intimate relation between public and private investment--the productivity of the urban public sector in a technologically-based society--must be respected.

4. Administration, planning, research. Finally, more adequate arrangements are necessary for the evolution of a comprehensive Federal urban assistance policy and for balanced impact of national programs on individual urban areas. We need more coherent forms of organization at local levels, at State levels, and at the Federal level; at every level, we need more resources for research and planning and development than we now have.

An especially promising opportunity now exists to meet these needs and to evolve a distinctive approach to the new city consistent with the established political processes of our Federal system. In particular, the quantitative adequacy of the supply of housing, the availability of private investment funds, the Federal legislation of the past year, and recent innovations at the State and local level all provide a point of departure unparalleled in recent decades.

SECTION II

The Social Environment

Poverty, crime, alienation, personal disorganization, and discrimination are not strangers to the urban community. Historically, the American city--with its raw newness, its mixture of peoples, and its undermanned and underfinanced local governments--has always exhibited more social ills and fewer social services and amenities than cities in older Western countries.

Nonetheless, given a nation more affluent than seemed conceivable a short generation ago, the persistence of these conditions of deprivation is less tolerable than in the past. Our inferior standing compared to other well-to-do democratic nations in providing cultural and recreational facilities, in care for the aged and incapacitated, and in health and education services is now close to invidious. In the Task Force's judgment, there are four prime areas of social need:

-- Deficiencies in public services and facilities for all urban residents.

-- Inadequate provisions for the poor.

-- Too slow progress in achieving integration.

-- Insufficient attention to the basic sources of civil violence.

Deficiencies in services and facilities. American urban communities have been chronically underfinanced in their provision of the activities that provide a full range of educational, recreational, and cultural amenities. They do not even ensure conditions of public health acceptable to modern standards.

These circumstances of community mediocrity have powerful adverse effects on the individual.

-- The citizen's commitment to his community and participation in its affairs becomes limited and his sense of anxiety, alienation, and powerlessness grows.

-- The ability of even well-supported and efficient institutions--hospitals, schools and of local government in general--to respond flexibly to individual needs declines.

Compounding the problem of enriching the individual's life in our great cities are the severe limitations on community resources. Over the past decade, State and local governments, with timely Federal assistance, have moved increasingly to meet our quantitative deficiencies in

these areas. Indeed, State and local activities constituted 62 percent of general domestic public expenditures in 1962 compared to 44 percent in 1946. But the municipalities with the greatest needs in their social environments have also been those most pressed to raise public revenues.

-- Thus, central cities in the great metropolitan areas and suburban municipalities immediately adjacent to the core typically make a greater tax effort than their neighbors toward the outskirts of growing metropolitan areas. Despite this effort, their deficiencies in services to provide the "good" city are even greater.

-- Other smaller urban communities not in metropolitan areas require technical and financial assistance as well.

Unquestionably, a "human scale" is necessary in structuring our services. Better facilities and more personnel will help achieve this. But more than this is needed--new administrative and funding approaches that will permit more experiment and flexibility.

The added role of the Federal Government, therefore, ought not to be confined to the extension of unconditional grants. Some part of the assistance ought to take the form of programs with more explicit objectives, particularly the objective of breaking the pattern of sharply different levels of services and population groupings, which makes it so difficult to develop a comprehensively satisfactory social environment. Certainly, such formulae will waste Federal funds.

The poor. If deficiencies exist in the public services and facilities now available for all, the public needs of the urban poor are even less adequately met. They suffer especially from obsolete and poorly organized patterns of assistance. While our capability to identify the various categories of the poor and their different and specialized needs may be adequate, our capability to respond on a comprehensive and effective basis is low.

The Economic Opportunity Act represents an explicit recognition of some of these needs. But that program, admirable as it is, is only a beginning. It is designed to help primarily the temporarily disadvantaged who can be expected, with proper assistance, to join the ranks of the productive and responsible. We need to recognize as well that:

-- The so-called "disadvantaged" consist of many groups: not just the poor who may not be poor next year when a job lost temporarily is replaced or the wage earner moves to a more prosperous area.

-- These groups arrive in urban areas with little or no preparation in the economic and social skills necessary for urban life.

-- They do not have ready access to the organizations created to help them nor are the agencies prepared to respond to their needs in a comprehensive way.

In more specific terms, one major neglected social problem is that of the chronic poor who through physical and other limitations are apt to remain poor: the Negro who meets impediments in employment and housing; the aged; the physically and mentally incapacitated; and those unable to adjust psychologically to urban life. This is a sizable and significant number. The chronic poor, if they only represent 2 percent of the country, still equal the population of a country such as Norway. They require special aids in the form of a variety of services and facilities.

Moreover, we do not begin to tackle the problem of either the temporarily or permanently dependent soon enough. In particular, our enormously complex urban society must give far more recognition to the present and prospective flow of migrants. At the present time, we provide little in the way of preparatory assistance to areas of "out-migration" from which urban newcomers flow.

Finally, we are impressed by the distance between the disadvantaged and the agencies that deal with them. We are concerned by the uncertainty, confusion, and despair among many of the disadvantaged as to how to improve their situation and how to take advantage of the services our various levels of government have made available.

To respond properly to the needs of all the poor requires a <u>much better integrated system of services that ensures easy access to the system, communication and coordination among the public agencies, and a comprehensive policy base</u>.

The present programs still:

-- do not treat adequately the multiple problems of individuals or families or communities on an integrated basis;

-- continue to operate too frequently within narrowly defined agency boundaries that fragment logically related services;

-- are often unrelated to physical and economic planning.

Within our growing urban communities, welfare programs continue to be administered principally on a particular-service-to-particular individual basis. Assistance is provided for the special needs of a citizen as they are identified--but our institutions are not very good at responding positively and flexibly to all the needs of a human being or a family or a neighborhood. The 1962 Welfare Amendments have made a beginning in the direction of prevention and rehabilitation; more is necessary.

Contradictions between the programs also abound. In some communities, the welfare departments spend large sums in the rental of slum quarters for welfare families and are unable to house them in the low-rent housing controlled by other city agencies. In some cities, many eligible families relocated from (federally supported) urban renewal programs cannot get housing in (federally supported) public housing projects. Federal funds support all these programs.

As in the case of the more general social and cultural services, providing "more" assistance through existing channels is not enough. Nor are the cash subsidies this and other task forces have recommended sufficient in and of themselves. Increased allowances will not give due recognition to the necessity of coping with problems of alienation and personality disorganization or of encouraging participation in community life.

To deal adequately with these deficiencies in both general social environment activities and those for the poor, the Task Force recommends:

1. A block grant for urban services. The basic purposes of this instrument are to permit the localities to provide a wide range of services for all and to care effectively for the poor. The amount of assistance would be related to need by indices measuring the number of low-income families, obsolescence of housing units, density of population, and mean income of population.

The block grants should include State matching of funds to assure increasing support of urban areas by the State governments, and to help counterbalance many of the State revenue and grants structures that discriminate against larger cities. They should be available only on the presentation of evidence that a "social renewal plan," as described in Recommendation 3, following, is being prepared.

The effect of this formula would be to provide primary assistance to inner-ring local governments whose land uses are primarily of the "grey area" variety and central area municipalities where very large social needs coexist with sizable but not sufficient local tax resources.

The importance of establishing grants on a non-categorical basis is that this permits local determination of priorities in social services, and local adjustments to take into account the different patterns of local revenues. Thus, the block grant should strengthen local budgetary and program oversight processes.

The social renewal plan presented by local governments should include evidence of sound fiscal practices in the assessment and administration of taxes to ensure the effective utilization of local resources. A prohibition against using the block grants to reduce local contributions instead of raising service levels should be included.

2. Corollary provision for supplementary community facilities especially designed for social purposes and distinct from current aid programs. The objective here is to provide community centers, health stations, cultural, educational and science buildings, small parks and playgrounds, and various combinations of these in multi-purpose centers reflecting the specific desires and needs of individual communities and neighborhoods.

We attach particular importance to multi-purpose facilities to make possible "pathfinder" services which help the citizen through the urban maze and assist him in finding an institution or service which meets his individual needs.

A number of existing Federal programs of course provide assistance for community facilities--the Community Facilities Administration's planning advances and loans, the Hill-Burton Act, the Library Services and Construction Act of 1964, and the Community Mental Health Act. But aid given through such a diversity of programs inhibits rather than encourages local creativity and effective local institutions.

In addition, the present basis of operation for these programs does not distinguish precisely enough the special needs of localities within major urban complexes from those of smaller independent cities or rural areas. We believe that the urban needs in this field require distinctive program and organizational attention. We think the best way of achieving this goal is by separate legislation and appropriation specifically tailored to urban areas, and without affecting existing programs designed for other purposes.

We emphasize that it would be futile to provide physical facilities without support for service and personnel, as suggested in our Recommendation 1, above.

In providing assistance for facilities, unlike the service block grant, the fiscal capabilities of the municipalities involved should be taken into account. We recommend the adoption of criteria designed to arrive at determination of equivalent tax efforts among local governments in order to assure the most effective expenditure of Federal funds and their direction to those portions of our new cities in greatest need.

3. The assistance programs should be contingent upon local preparation of Social Renewal Plans. To insure effective use of new funds, a comprehensive inventory of social needs in each urban area is obviously required. But the major task in making social programs effective in creating a better community must be a local responsibility. Each community must take stock of its particular problems and

> decide where it wishes to invest its resources: pre-school education, care for the children of working mothers, recreational facilities, or community centers emphasizing family activities. As the communities' interest is directed to these choices, a social renewal plan should evolve.

The responsibility for developing the plan must be clearly fixed. One possible instrument may be found in the agencies now engaged in the community action programs of the Economic Opportunity Act or the Juvenile Delinquency programs. Typically, they are established in close relation to the office of the major or other central responsible political officials.

But the tasks of these agencies should be broadened to include health, education, recreation--the entire gamut of social development. And whenever possible they should be carried out on an appropriate intermunicipal basis, so that the regional perspective can be achieved.

The proper planning of social renewal programs should take into account (a) the opportunities for employment and training and education available under the programs of the Office of Economic Opportunity; the Office of Manpower, Automation and Training; and the Office of Education; (b) the development of community health and mental health centers under the Community Mental Health Act; (c) the new opportunities for rehabilitation available under the Social Welfare Amendments of 1962; and (d) other programs to reduce poverty and dependence. The agencies will also have to cooperate closely with the chief private social service and health agencies of the city.

In this connection, effective coordination between public school administrations and other local agencies is particularly important. Preschool programs and special vocational and guidance aids must blend smoothly with the more regular educational programs. It is hoped that the social renewal plans will have as one requirement a demonstration that this has been accomplished.

The principal tasks of such agencies would be:

(a) to directly administer the new programs, proposed in Recommendations 1 and 2, above, and other new programs--in particular the Community Action Program;

(b) to consider the needs of the community and how they might best be met;

(c) to study the new Federal resources now available and how they might best be applied to meeting these needs;

(d) to advise the appropriate local officials as to how the programs of the city itself might be modified in the light of the need and the resources; and

(e) to prepare a "social renewal plan" for the city and re-examine, revise and expand it on a regular basis.

4. Special migration aids. We believe school systems, the Selective Service System, Employment Service programs, and other public institutions can all play important roles in preparatory assistance in "out-migration" areas from which city newcomers arrive. Other housing programs could provide credits for housing migrants own and leave in declining areas. In short, a variety of programs can be integrated to deal with the permanent problem of heavy migration of ill-prepared rural and small-town dwellers to the cities.

Integration. The achievement of any city is to bring together people of varied occupations, skills, nationalities, and races for a heightening of human experience and social and economic effectiveness. Historically, the unique achievement of American cities has been their capacity to create effective communities out of people of remarkably varied backgrounds. Colonial class and caste were transferred into a condition of wide social equality. Different religions and national background were forged into varied yet unified communities.

The last and perhaps greatest division--race--has yet to be overcome. One of the greatest dangers to our cities is the segregation of their growing Negro populations in ghetto areas. This has many causes, and many policies may help to alleviate it. But it would be tragic to allow this sharp division between white and Negro areas to persist and to grow. This division is at the root of many of our urban social problems; its continuance would eventually pose a serious threat to our political unity and effectiveness. Accordingly, the Task Force recommends:

5. Extension of the Executive Order barring discrimination in housing and aid for communities faced with overcoming de facto segregation. With the passage of the Civil Rights Act, we believe it is appropriate to extend the provisions of the Executive Order to all types of mortgage financing, including savings banks and private lending associations. Otherwise, we can expect to see continued efforts to avoid the requirements of nondiscrimination by employing special routes of financing, ultimately with serious secondary economic and social effects on the overall urban development process.

We do not overestimate the effect of this single action in advancing our larger goal of integrated communities. Nor do we underestimate the difficulties in effectively applying it. However, it is one policy that is within the power of the Federal Government, and we urge its most vigorous application.

We also urge that the Federal Government consider means it possesses to assist communities that are trying to overcome de facto school segregation. Timely technical advice and special financial assistance in planning programs in this sensitive area can play an important role in achieving successful realignments in school populations with a relatively small commitment in resources. In the long run, the coordinated planning of schools and residential patterns may be the most valuable instrument available for achieving integrated patterns of living.

Violence. At a minimum, every urban citizen is entitled to security. Civic order that protects person and property is the basic prerequisite for orderly community existence.

American cities have made more progress in public safety than is popularly recognized. Those who now characterize our cities as exceptionally prone to violence have simply not read our history. We no longer have quarters which police refuse to enter; we may expect that the bloody race riots of the Civil War, of 1919, and of 1943 are now things of the past. We have much less murder in our cities today (though we have of course more crimes that were not possible in the past, such as auto thefts). Perhaps most important, we have police forces in many of our great cities that are more professional and more effective than ever in the past. These positive changes in the climate of safety in our cities are unquestionably a function of the increased prosperity and education of Americans.

But the fact remains that unnecessarily high rates of crime and violence exist. They are the results of a complex of social factors. Criminal delinquency is most closely related to unemployment, poverty, and depressed neighborhood circumstances that give youth familiarity with and motivation for criminal behavior.

Public policies that effectively attack these root causes of disorder are only now coming into play. Continued progress in this area depends on:

-- Our capacity to break up urban Negro ghettos that in their present form inevitably encourage a high rate of juvenile delinquency and adult crime.

-- Better facilities and services for detecting and helping the psychologically disorganized, the mentally retarded, and physically incapacitated.

-- More public support for our law enforcement agencies. One of the most disturbing aspects of civic disorder today is the apparent unwillingness of many citizens to cooperate with the police; their loss of a personal sense of civic obligation and responsibility; their withdrawal from the community in which they exist.

Over and beyond the problem of reinforcing the direct measures we use to control violence are the problems of identifying and treating

potential law-breakers in ways that anticipate and prevent crime and of restoring public involvement in the affairs of the city. The Task Force is unanimous in its belief that public safety forces require much more aid and support than they have received in recent years. It is also unanimous, however, in its conviction that a wide range of measures apparently remote from the problem of civic order must be undertaken if the latent forces that generate crime are to be controlled. Thus we regard the programs and policies contained in the previous recommendations as basic responses to the problem of violence. In addition, we recommend:

6. Full implementation for programs of Federal aids for training key local personnel including law-enforcement personnel. The report of the Municipal Manpower Commission of 1962 made clear the critical shortages at all ranks of municipal personnel, especially arising in the administrative, professional and technical areas. In hospitals, in public health, and in welfare administration, one urban government after another is experiencing difficulty in acquiring and holding personnel at a level sufficient for the execution of their duties.

For many years the Federal Government has provided technical assistance in many fields of local administration. We believe that this type of aid should now be expanded and continued. We also believe that every effort ought to be made to improve the standing and prestige of municipal public servants in the eyes of the public at large.

We place particular emphasis on the development of support programs in the area of law enforcement, whose personnel are subjected to increasingly heavy demands and have been performing under great obstacles with distinction.

In this area the Federal Government may appropriately assist local units in the discharge of their basic responsibilities by:

(a) training assistance for local police forces, particularly incorporating the knowledge and insights of experts in urban problems and in intergroup relations. Such training might consist of fellowships for police officers, or those planning to become officers; aid to institutions developing such training; or even the development of a national institute;

(b) funds for the increase in salaries and numbers of police officers--these funds might best come from the block grants for better urban services;

(c) programs to help in the proper administration of justice; the improvement of the local magistracy and its supporting social and probationary services; aid to low-income individuals in getting legal advice and legal counsel.

SECTION III

The Physical Environment

Urban communities come in all shapes and sizes and face radically different challenges. In some parts of the country, relatively small, independent cities and towns grow and flourish. In others, their populations dwindle rapidly. The most prominent urban trends affecting the physical environment are these:

-- The main thrust of urban growth is toward ever-larger metropolitan areas--regions with populations in excess of half a million--encompassing hundreds of square miles of territory and scores of local governments. In general, a process of steady diffusion of jobs and families outward from the core area works to expand these areas even further.

-- The classic city boundaries--municipal limits or distinct physical separations between city and country--have, in many instances, disappeared, as the cutting edge of suburban growth has reached out and urban uses have taken up farm land.

-- Different sections of our metropolitan areas display sharply stratified land uses, economic functions, and public needs. The central city, the suburbs, the growing edge all require policies and programs tailored to their specific situations. So do the small independent cities set apart from metropolitan complexes where the opportunities for building genuine communities and the good urban life may be the highest.

Accordingly, the Task Force has considered separately existing and new programs designed for the different types of urban communities. It has also evaluated programs such as housing, planning, and community facilities that have nationwide urban impact.

Urban Renewal

For more than 30 years it has been the policy of the Federal Government to help cities wipe out slums and blight. These efforts began in New Deal days with low-rent public housing legislation for slum clearance and the rehousing of slum-dwellers. They were greatly broadened by the postwar renewal program that supports local public land acquisition and related activities, primarily to stimulate redevelopment by private enterprise. To date, renewal programs have mainly concentrated on projects in the core areas or central business districts, featuring industrial, commercial, and relatively high-rent residential construction.

While these redevelopment projects have been both dramatic and valuable, their limitations have become increasingly evident:

-- After 30 years, public housing has contributed less than 1 percent of the stock of homes, and has never achieved widespread public acceptance.

-- Continued use of substandard housing goes on as low-income groups flow into the central city.

-- The new projects have strengthened activities appropriate to downtown areas, contributed to the city's tax base, and attracted some higher-income adults as residents, quite often on an integrated basis. But blighted areas expand, and social problems have become more threatening.

-- The contemporary techniques of the workable program, neighborhood conservation, and further extensions of urban renewal, including increased emphasis on a humane relocation process, have not sufficed to arrest the forces of obsolescence.

Our experience to date has in no sense been wasted, nor should the present tools be discarded. What is needed now, however, is much broader strategy: long-term, city-wide (in some aspects region-wide), and more directly geared to social goals.

Its paramount objectives must be: a sizable increase in the supply of good homes in good neighborhoods with good public services, available to lower-income and minority households, plus homes and neighborhoods for middle to upper-income families attractive enough to compete with suburban communities.

To meet these goals,

-- high priority must be given city-wide action that brings together planning, public works, code enforcement, and welfare programs on a comprehensive and integrated basis to ensure maximum use of the existing stock of housing,

-- relocation and rehabilitation functions of renewal should be extended to families displaced by any public action not only that associated with a renewal project,

-- major efforts must be made to recapture the large residential grey areas in or near the central portions of our urban communities on a scale never previously undertaken.

Accordingly, the Task Force recommends:

1. Increased Federal assistance to city planning and code enforcement activity.

Until quite recently, renewal has generally proceeded on a project-by-project basis, little related to the city-wide housing situation, and without effective synthesis with the planning, public works, and code enforcement activities that shape physical policy, and typically divorced from welfare programs--themselves too splintered to be termed "social policy." Federal encouragement of the preparation of comprehensive community renewal programs has, however, been a significant step in the right direction. The new approaches to social problems are another hopeful sign.

This Task Force is convinced that the emphasis on total community renewal, utilizing techniques in addition to land clearance and rebuilding and involving agencies other than local renewal authorities should be drastically stepped up. Today, urban renewal is much more than a series of isolated projects; it needs to be viewed as an on-going process concerned as much with providing essential public facilities, assistance to individual families and altering the social aspects of neighborhoods as with the execution of specific physical plans.

The program's greatest efforts should be devoted to removing the frictions and obstacles in the general renewal process that are constantly created by private and public action alike. It also must work to improve the capacity of the local governments to deal more directly with the problems of obsolescence than by the present emphasis on the limited techniques of land condemnation, clearance, tract rehabilitation, financial, and credit aids. This general approach of the Task Force would alter the activities and emphasis of the present program.

Specifically, high priority is required for a comprehensive code enforcement program, combined with increased emphasis on the relocation and rehabilitation functions of renewal whether or not associated with a major renewal project. Thus, when more rigorous code enforcement requires the closing of buildings, the present aids to relocation--bonuses, finance fees, agency aid in moving and finding apartments--would be made available to persons moving from condemned buildings. Such action simultaneously helps preserve the existing quantity of sound low-cost housing and the social organizations in low-income areas. Further, the gradual closing down of buildings that cannot be brought up to code standards produces more and more vacant land for public uses that could be made available without further disruption of families and neighborhoods.

2. Adjustments in organization, administration, and financial contribution of local renewal authorities.

Concomitant with the inauguration of city-wide renewal enforcement and relocation services, would come adjustments in organization, administration, and financial contributions of local renewal authorities. A

sense of priority and selectivity can be introduced into the program by increasing the percentage of aid allocated for residential programs. The requirements respecting workable programs should be tightened and extended so that local governments demonstrate "workability" by action and not solely in the expression of good intentions through plans.

3. The inauguration of residential renewal projects on such a scale as to alter the character of entire neighborhoods.

The inauguration of large-scale residential renewal projects is a necessary supplement to the activation of a comprehensive city renewal plan. Moderate and low-income residential projects in the past have suffered in comparison to industrial and economic ones. As a consequence, many have been enveloped by the unattractive surrounding environment.

If we are serious about changing the character of neighborhoods in older portions of the urban community, much larger developments must be conceived and executed. These developments must include provision for mixed types of housing, for heavy investment in public facilities and amenities, and for corresponding inauguration of community social programs. They should be so designed as to provide a genuine attraction to middle-income families with children who may want to move back to the city but are now deterred by deficient conditions in neighborhood life or of public services.

In the strategy of recapturing and reusing the grey areas of the old cities, one cardinal principle has to be observed: A small, timid effort at recapture may be worse than none--a waste of public resources. What is needed is an intervention so large and so profound as to alter the image of a neighborhood. So far, we have little experience in the Federal urban renewal program to test the feasibility of recapturing such areas. Most urban renewal projects have been relatively small and relatively close to the central business district; most have been designed for comparatively high-income use or for specialized cultural purposes.

The problem, therefore, is to inject a new environment in the old grey areas, an environment in excess of some critical minimum mass, so as to change the attitude of middle-income groups toward the area. To the extent possible, this should be achieved by programs of rehabilitation, but experience suggests that a considerable part of such programs would involve rebuilding.

The challenge presented by such programs lies outside the scope of the present urban renewal program. No single private builder is big enough to provide the entrepreneurship or assume the equity risk. No single financial source will want to take on the burden of debt. Yet such projects should be formulated as a partnership of private and

public forces, after the tradition familiar to urban renewal. Here is a challenge for the private sector which we are confident it can assume. One of the real vindications of our trust in the enterprise system would be initiatives from the private side to fill this institutional gap.

Once a neighborhood has been turned around by the first giant innovation in renewal, it may be possible to rely upon the normal operations of the private market to maintain and extend the trend. To ensure that those who wish to make the choice will in fact have an opportunity to exercise it, however, we later propose substantially expanded programs of financial assistance for low- and moderate-income housing.

New Development

The unprecedented postwar demand for good new housing, mostly in the form of single-family homes for owner-occupancy, coupled with the availability of adequate land outside of the central cities, caused the now familiar suburban explosion.

Unquestionably, the bulk of this construction, largely underwritten by Federal mortgage and guarantee programs, brought dramatic improvement in the physical living conditions of millions of Americans. Nonetheless, almost wholly unplanned in any comprehensive way, suburban growth created major and rising problems:

-- Unbalanced developmental patterns: The transformation of our larger urban communities into an identifiable, stratified set of localities sharply distinct in age, race, and income--consisting of a core low-income ghetto, surrounded by middle- and upper-class suburbs. Little housing has been provided for families of lower- and moderate-income in suburban areas due in part to official and non-official exclusion policies; and the proportion has been decreasing.

-- Unbalanced transportation patterns: More and more Americans do not have easy access to their jobs: white-collar employees commuting "in" to the central business district and factory workers commuting "out" to suburban industries so that increasingly unbalanced traffic flows appear in terms of the relationship between homes and jobs.

-- Inadequate public resources: Local governments in rapidly growing areas have been unable to respond adequately to facility and service needs that frequently are best provided on a regional basis. They remain unprepared for the demands now being made for essential public services or resource preservation and conservation.

In short, the pattern of accommodation of the rapid expansion of our urban population has been far from satisfactory. It has not encouraged efficient, economical development policies, the meshing of public and private building activities, or the full utilization of our planning and technical potentials. It has instead been parochial, expensive, and wasteful in the use of physical resources.

In view of these developments the Task Force recommends:

1. Continued support of Administration proposals to build large-scale new communities.

Two approaches commend themselves here. One was expressed in legislative proposals last year by the Administration designed to extend the credit instrument to encourage the planning and development by private builders of complete new communities designed for populations above the 100,000 mark. As articulated by the Housing and Home Finance Administrator, his agency would "nurture large-scale new communities" through insurance loan procedures that cover land costs and most of the facility cost in major new development areas and underwrite loans for the assembly and development of land. In return, cheap and open housing would be included. Simultaneously, loans and grants would be made available to local governments for advanced purchase of land and advanced placement of public facilities to depress the speculative elements of the cost of the cutting edge of the population movement. It appears some misunderstanding arose about these proposals during their legislative consideration this year. Refined and elaborated, these measures can profitably be introduced again.

It is equally possible, however, for direct demonstration cities to be encouraged by the Federal Government by grants and loans to public nonprofit development corporations chartered by the State, or by a county or a city, or combinations. This approach has the advantage of channeling Federal investment into instrumentalities where issues of profit and speculation do not directly arise. It also makes possible experimentation on the grand scale that might be carried out solely in the private sector.

Whichever way proves most feasible, and both, of course, may be undertaken--the aim of the new planned communities should be to continue the variety that is the hallmark of a true city at the growing urban edge. The concept of the new objective should be not only more rational community planning aimed at enhancing and preserving land and natural environment. We should also assure that the new "sub-cities" include a mix of residential settlements ranging in incomes and balanced in family backgrounds, related to job opportunities in the general area. These communities should be visible alternatives to the quasi-ghettos of past suburban development that lessen, by example, the tensions and fears with which major elements in our urban population now confront themselves.

Developments of this kind, it should be stressed, are not to be carbon copies of New Towns in England and in Europe. They will differ significantly in style, pattern, land-use, and transportation facilities from those in other western nations. Nonetheless, they will provide the integrating function so badly required.

2. Special assistance for urban public facilities, separate and distinct from present programs and emphasizing facilities for water and sewage, pollution, and hospitals that are most effectively provided through collaborative local government arrangements.

The urgent needs for basic community facilities in our rapidly growing urban areas is now amply demonstrated. So are the constraints upon State and local tax resources.

The Task Force believes that the appropriate Federal approach to the problems basic to orderly community development should be quantitatively sufficient to ensure that viable cities are sustained, especially in respect to the preservation of environmental amenities. Despite increasing public attention to issues of air and water pollution and of resource management, most urban areas are losing the battle to preserve appealing environments.

Therefore, as separate legislation, we propose grants for public facilities in urban areas that will insure the timely construction of water treatment plants, sanitary disposal systems, solid waste disposal systems, hospitals, community, and recreational facilities. In this "urban facilities" act, the fiscal capabilities of the municipalities involved should be taken into account.

We recommend the adoption of an equitable allocation formula in the grant program in order to assure the most effective expenditure of Federal funds, and its direction to those portions of our new cities in greatest need and of additional problems.

3. These assistance programs to be contingent on their correlation to a general regional plan including both physical and social components, developed on a multi-governmental basis with strong encouragements to State leadership, in recognition of the major State legal authority and capabilities in land development policy.

The development of these facilities recommended above could take place only under proper regional planning auspices. In contrast to the present system which makes these facilities available on a municipal basis, the new Act would recognize that isolated consideration of individual projects is no longer an effective or desirable means of providing assistance. Therefore, the approval of facilities genuinely regional or metropolitan in nature would be contingent upon the development of comprehensive regional plans and assurance that specific projects were in conformity with these plans.

These plans, moreover, should have more than utilitarian aims. They should emphasize the visual, the aesthetic, and the attractive in the design of all our facilities. Thus, we heartily endorse the recommendations of the Task Force on Natural Beauty that are addressed to these considerations.

The Task Force is well aware of the concern of many program-oriented agencies that regional planning requirements may delay, obstruct and occasionally defeat the actual provision of badly needed facilities. We are also aware that while regional planning has increased in effectiveness and popularity rapidly in the past few years, planning is by no means an exact science or even always an appealing art.

Nonetheless, if we are to provide meaningful public guidance to the process of our population expansion, a beginning has to be made. We think the most feasible place to institute planning provisions in earnest is in this component of the facilities field. In the past, efforts of large cities to work out cooperative measures among their suburban counterparts on such matters as transportation and renewal have often been frustrated by the relative lack of suburban interest in these problems. But the timely provision for basic facilities required by rapid land development is a vital problem to almost all of suburban municipalities. They are greater problems to suburbs than to central cities that usually have adequate water supply and sanitary installations. Thus the motivation for cooperation in these problem areas is greater, and the likelihood of effective planning is proportionately brighter.

Urban Transportation

It is axiomatic that efficient transportation service is essential for a viable urban society and economy. The desires of urban peoples to exchange ideas, services, and goods cannot be fulfilled without a transportation system that is both dependable and efficient.

Efficiency, however, cannot be expressed alone in terms of least cost or greatest capacity. It must take into account considerations which are sometimes intangible and not susceptible of expression in concrete terms. It must be the kind of transportation service that people want and are willing to use because it does meet their concept of what transportation should be. In this context, the Task Force believes that:

-- While present evidence points strongly to continuing dominance of the private motor car for much of the daily personal travel in all urban areas, including the journey to work, it is also clear that mass transit service has to be revitalized and sustained at a reasonably high level, particularly in those urban areas where mass transit so strongly influenced past and present growth patterns. The personal mobility afforded by the private motor car may be reaching the point

of diminishing returns in areas of high daytime population concentrations. In the larger metropolitan areas, a substantial percentage of journeys to work into central business districts are, and will continue to be, via mass transit.

-- Although postwar urban highway construction has added enormous capacity to most transportation systems, serious deficiencies in urban highway planning have existed. Too often in the recent past highways were located and built mainly to satisfy interests of highway users without regard for other community values and interests, including investment in existing and functioning mass transit systems.

With the passage of the Federal-Aid Highway Act of 1962 and the Urban Mass Transportation Act of 1964, the Congress took strong, and hopefully effective, measures to improve the urban transportation planning process and to incorporate it into comprehensive development planning for urban areas and regions.

The Task Force believes that the comprehensive urban transportation planning process now required by Federal law in all standard metropolitan areas is the right approach to achieving "balanced" transportation to suit the conditions and circumstances peculiar to each metropolitan area. Accordingly, it commends this action to treat transportation in association with the use of land and other resources and believes that these two Acts lay the foundation for dealing with transportation comprehensively and rationally.

The Task Force would urge the Congress to appropriate funds authorized, and if necessary increase authorizations and appropriations, to implement the provisions of the Acts.

In placing emphasis on the need for more effective planning, the Task Force recognizes that in the immediate past mass transit has received insufficient attention. In some large urban areas, massive capital investment for new rail rapid transit should now be considered. But there are a range of alternatives. For example, buses operating on urban freeways, or on their own grade-separated rights-of-way, may give better door-to-door mass transit service, and at lower per capita cost than rail rapid transit in many urban areas. Where existing rail rapid transit and commuter railroads are functioning as integral and useful parts of a complex urban transportation system, the Task Force urges that every means available be taken to insure that the service not be allowed to further deteriorate and that Federal funds should be committed, if necessary, to this objective. Determination of the need for rail mass transit expansion in urban areas will result from the studies currently underway.

The planning process, we stress, should leave the way open for possible use of new or special forms of transport that are presently little more than operationally feasible or, perhaps, are not even

developed. Segments of industry are investing research and development funds in new high-speed devices that may prove to be feasible for trip lengths in the range from 25 to 25-300 miles. During the next decade, it is likely that nearly all improvements to the urban transportation system will be in more-or-less conventional mass transit and in urban highways. Beyond that, new modes of transport may further extend the boundaries of urban commuting areas far beyond their present limits.

Thus, in transportation, our greatest need is to assure the effectiveness of the planning process under the Highway Act and the Urban Transportation Act and to relate this planning to total urban transportation and urban development needs.

Accordingly, we recommend:

(1) The full implementation of the planning provisions of the Federal-Aid Highway Act of 1962 and the Urban Transportation Act of 1964.

(2) The establishment of a Presidential Commission to consider urban transportation requirements in terms of urban development, review planning procedures now being developed in compliance with the planning provisions of these Acts and to appraise their effectiveness in meeting urban transportation needs, including highway and transit requirements in relation to land development and highway safety. This report should be completed prior to 1967 to provide sufficient lead-time to develop a program before the completion of the interstate highway system scheduled for 1972.

Housing

The current situation. In strictly quantitative terms and without allowing for unevenly distributed vacancies, the overall housing supply is reasonably adequate for the first time in 25 years. But the lull in quantitative demand is only temporary; the postwar babies who have swept through the school system will soon be starting new households. By 1966, we should begin moving up from the 1.5 million annual rate of housing starts which has been fairly stable for several years. Allowing for only the moderate current replacement rate, we must be building 2 million new dwellings per year by 1970 or earlier.

This is, therefore, the critical moment to attack deep-rooted housing problems and to establish general policies to help shape not only the quantity and quality of the future housing supply but also the whole pattern of metropolitan and community life.

The basic need and the basic problem. The long-term housing problem has many facets. It can be simply stated: the urgent need is for a

broadly effective market for new housing. Our needs for a complete range of prices and housing types--whether for suitable relocation in clearance schemes or in order to reach any substantial proportion of the new households, or merely to achieve the necessary overall volume in order to avoid another shortage. A wide range of locational choice is equally important, including choice by minority households, if the need for better balanced populations in both old and new communities is to be fulfilled. More specifically, action is necessary:

-- To provide more effective rehabilitation of millions of salvagable older dwellings, without making them too expensive for the groups who now occupy them. Many grey area neighborhoods must also be upgraded, to hold or attract middle-class families with children.

-- To broaden the effective market for new housing built and financed entirely by private initiative that is still too limited today and is becoming more so despite the overflowing supply of mortgage funds. In central areas, even on subsidized redevelopment sites, luxury apartments have been the rule (despite Federal credit support) with very few of them suitable for family living at any price. In new development on the fringe, most single-family homes are now built for the upper-third income level, with very few indeed for the lower half. Meanwhile, even the expanding upper-income Negro market has been neglected by ordinary private enterprise, except in certain southern communities and in a few northern cities either on redevelopment sites or in sparse ghetto suburbs.

A number of different forces account for the narrowing market in a period of rising incomes. These include speculative land prices rising faster than incomes, exclusionary zoning and building codes in suburban communities, unnecessarily restrictive codes in cities, fashions which push toward expensive extremes of low and high density, rising suburban and city taxes as community needs mount, long-standing discriminatory practices in the real estate business, and the lack of technological progress in construction methods. Taken together, however, they indicate that the basic problem is the cost of housing across a wide range of market demand. A comprehensive solution to this problem requires a complex of public and private actions.

The public role in reducing housing costs. Apart from discrimination and taxes, the ability of any family or population group to buy or rent decent housing is determined by its income relative to

-- the price of developed land,

-- the costs of construction and maintenance, and

-- the financing and transfer costs.

The major Federal policy in cost reduction has been in the financing area through the loan and mortgage insurance programs. The Federal Housing Administration has probably approached the maximum reduction in carrying costs of housing possible through stretching out terms in the context of a marketable rate of interest. Further improvements to make housing available in the quantities needed by moderate and lower income families can only come through lower standards, direct attacks on land and construction costs, or public sharing of financing costs.

Lowering of accepted American housing standards is a counsel of despair, and we reject it (although we note below that many suburban communities have building code and zoning requirements far above any defensible health and safety minima).

Direct attack on land prices is most difficult in our tradition of land ownership and local property taxation, but some relief would be afforded by the Task Force's recommendations elsewhere for

-- large-scale residential urban renewal projects and

-- encouragement of advance acquisition of undeveloped land by State and local public agencies.

There remains the possibilities for reducing construction and maintenance costs. With the primary emphasis of all Federal housing programs to date on financial aids, public attention to the cost side of the housing industry has been relatively neglected. The industry is not a leader in research and development designed to reduce construction and maintenance costs nor does it feature management, organization, and operation techniques that have been so effective in the production and marketing of other durable goods in the private sector. The major growth industries spend on the average 1-1/2 percent of their sales income on research and development, probably six to ten times the current rate in the housing industry. The many small firms in housing make a concerted research and development program impossible. Consequently, we have not developed any major possibilities for cost reduction which might help to produce moderate priced housing.

Housing costs are also heavily affected by the complex of applicable building, housing, and zoning codes. At their best these requirements provide for meeting minimal standards of health, safety, and public necessity; at their worst, they become deliberate impediments to new materials, new production methods, or to the access of low-income groups to housing; in between, they have an unfortunate tendency toward rigidities and to differences without meaning that add needlessly to housing costs for all. These are traditionally matters of local concern, but the increasing Federal involvement in encouraging the setting of local standards amply justifies an equal Federal concern that these standards serve a broad version of the public interest.

To achieve genuine construction cost reductions we recommend:

-- That the Federal Government take the lead in systematic research and large-scale experimentation in building technology through the establishment of an Institute--described in the last section.

-- That a temporary National Commission on Codes and Zoning be appointed to examine this problem and report with recommendations to the President, so that Presidential leadership can be applied to an examination of the extent to which existing zoning and code regulations add unnecessarily to housing costs.

Public sharing of costs. Even given increased innovation and new guidelines in building and zoning codes, it is all too evident that a fairly substantial segment of the overall housing need will require positive Federal aid in a variety of forms for the foreseeable future. The volume and type of special need must be developed and continuously checked from careful local, State, and Federal determinations. But the best current estimate is that at least 300,000 or 15 percent of the new units which must be provided annually between 1965 and 1970 could require some form of public assistance. So our tools for supporting market demand need to be revised and extended.

For the rehousing of slum dwellers, the low-rent public housing program has been the only positive tool since its enactment in 1937. It has been kept alive by the exigencies of the redevelopment program. For some groups of the chronically poor the higher institutionalized public housing project has a role as one segment of an intensive and comprehensive approach--that is, if combined with intensive and imaginative social services. However, many low-income families will be more effectively served by more flexible approaches, including those recommended but not enacted by the Administration last year.

We recommend further consideration of:

Greater flexibility in subsidized public housing including leasing of standard private units for low-rent use, and sliding rents for tenants whose incomes increase and possibilities for individual or cooperative ownership or quasi-ownership, or nonprofit private management;

Full-scale experimentation with rental supplements for families, utilizable only in standard housing, in areas with adequate vacancies, with periodic checking of market and social effects; and

Large-scale experimentation with subsidies for rehabilitation, by both public and private owners.

For moderate-income families, Federal assistance has been primarily extended through low-interest direct loans or mortgage purchases. These programs, in effect, pass on to the private borrowers the net savings from use of the Federal credit rating and interest costs in lieu of the interest rate that would be applicable if they borrowed in the private market with Federal insurance. Use of this device in a variety of situations ranging from college dormitories to moderate-income family housing, has served also the highly useful purpose of stimulating the creation of badly needed new entrepreneurs in housing markets--including State dormitory authorities, specialized cooperatives, and nonprofit housing corporations. It would appear to be feasible to use these new entrepreneurs in a variety of new approaches.

Nevertheless, the margin of interest-cost savings through use of the Federal Treasury as a financial intermediary has declined in recent years to the point that either lesser savings to the borrower are involved or supplementary devices must be employed to increase the financial benefit. In many cases, it may now be appropriate to develop direct financial assistance programs which can produce the total effect more simply and effectively.

> While urging the continuation and expansion of successful financial assistance programs pending the development of acceptable alternatives, the Task Force recommends that programs of direct assistance for reducing the costs of low- and moderate-income housing be combined with a shift to private lenders of as much of the total financing as possible.

The Task Force is most impressed with alternatives that would make use, at least on an experimental basis, of such devices as:

- -- variable direct interest subsidies tied to the income of homeowners or tenants and paid directly to private lenders to bring the investment yield up to par with other federally insured housing loans;

- -- subordinated Federal loans for the longest maturities coupled with private loans for the early years when a lower market yield is acceptable to private investors;

- -- direct capital grants for a portion of the costs of rehabilitation of units in urban renewal areas which might otherwise have to be condemned for public acquisition in order to conform with the standards established in the urban renewal plan;

- -- temporary direct loans, preferably at sliding interest rates of 1 to 5 percent tailored to the needs and capacities of individual families. As most of the families' incomes rose, their interest rates could be stepped up

so that eventually most loans would yield the market rate and could be transferred to private mortgage portfolios. This would work for individual or co-operative ownership, and might be adaptable to rental projects.

Systematic experiment, with responsible planning and testing. There are no proven solutions to many housing problems, and there never will be any single final answers. The Federal Government should encourage a period of maximum experimentation with numerous defensible policies, accompanied by systematic research, reporting and testing.

This degree of flexibility calls for new responsibilities, however, at the State and local levels quite as much as at the Federal level. After 30 years of miscellaneous Federal policies, for instance, which called forth a whole string of new local agencies, there is no agency clearly and primarily responsible for the overall determination of social housing needs, and for the mobilization of all the private and public tools available to meet these needs. The local housing authorities have never undertaken this assignment; the redevelopment agencies are not primarily geared to such purposes at all; the planning departments have neglected it, and the new proposals for comprehensive social policy agencies (including that in Section II) do not include it. This responsibility can be fulfilled in various ways, but there cannot be a flexible and comprehensive local housing program without it.

At the metropolitan level, it is equally essential if we really desire to achieve better balanced patterns within and outside the old cities. This responsibility has been almost completely ignored in all the talk and work on metropolitan planning. Since housing decisions are ultimately the key factor in population distribution, the broad determination of housing needs should be a major function of all metropolitan planning, and a condition of Federal aid.

SECTION IV

Economic Development

City building in the United States goes forward principally and appropriately through the private sector of our economy. The rate and style of building depend upon a strong and flourishing national growth rate and continued general prosperity. While individual urban communities may expand or decline within this national framework, none of them will flourish long unless our continental economic base is sound. Thus, the recommendations of almost every other Task Force have relevance to the task of creating better and more livable cities.

Time did not permit this Task Force to deal directly with such crucial economic issues as the new relevance of urban public expenditures in the development of our new technologically-based industries. Nor have we emphasized sufficiently the need for a national policy with respect to declining urban areas with economic bases of older industries. Nor have we considered adequately such problems as the distribution of urban populations and labor forces among major regions of the country.

This section deals only with selected aspects of urban economics: principally the role of the private sector in housing and community development. These aspects complement most closely the national programs we have been evaluating in preceding sections. Our consideration of them makes clear how we view the revised and new Federal urban aids as complementary to expanded private activity--and the need for changes in the public sector to take into account the impact on the private.

Our recommendations especially in the last section have been predicated on our belief that an unparalleled opportunity now exists to attain public goals--especially in housing and community development--through private means. The supply of available investment funds, and the availability of new instruments for public-private collaboration make it possible to bring great resources to bear on the process of community development. To realize this possibility, old credit policies and programs established in the depression years need to be re-examined and new instruments of collaboration created.

Role of Private Credit

Within the general sphere of private enterprise, the Task Force recognizes the major role that our private mortgage credit system must play in the financing of vigorous urban revitalization programs. Maximum reliance on private credit is not only

-- consistent with the personal beliefs of the American people in a private enterprise system, but also

-- essential for a realistic approach to meeting the expanded financial requirements of urban rebuilding, given the heavy financial burdens on the Federal Government.

The adequacy--and at times surplus--of mortgage funds which has prevailed over the past four years or so attests to the flexibility of our private financial system under changing economic circumstances. We are confident that our private institutions, under appropriate Federal policies, can continue to attract the large volume of saving necessary to finance the future growth of our cities. Indeed, in the financial climate which may prevail in the immediate years ahead, urban development could provide one of the major investment outlets for private lenders.

To realize our great private financing potential and objectives, the Federal mortgage insurance program, at market rates of interest, will remain essential so long as the risks associated with urban development and rehabilitation are too great for private lenders to bear alone. The Task Force asserts that it is in these high-risk, pioneering, innovative areas of mortgage finance that the Federal Housing Administration serves its most useful and continuing function. This is pathbreaking in the original FHA tradition.

The Depression-born programs of Federal mortgage insurance, in addition to minimizing private lender risk, are also designed

-- to improve the inter-regional flow of mortgage funds by creating a broadly acceptable and marketable mortgage instrument, and

-- to broaden the housing market among middle-income groups by promising low-downpayment, long-maturity contract terms.

The Task Force does not believe that FHA should back away from these functions. In providing national mobility of mortgage funds, in particular, FHA serves a singularly unique function. Private institutional arrangements for nationwide lending are oriented heavily around the standardized FHA-insured mortgage instrument. And while other devices to achieve nationwide mortgage mobility are being advanced, no broadly acceptable substitute has been, or seems imminent of being, achieved.

All of this does not mean that FHA programs and philosophy are without flaw. On the contrary, the Task Force believes that three decades of operating experience provides an adequate base and opportune time to re-evaluate FHA operations. For one thing, a depression-type evaluation of risk is no longer realistic in light of our enlightened Federal economic policies, built-in stabilizers, and national commitment to "full" employment and price stability. Accordingly, the Task Force recommends that FHA should:

-- re-examine the actuarial and economic basis of its mortgage insurance operations and premium changes,

-- develop experimental programs of co-insurance in the "more standardized" housing market in which administrative responsibilities and risks are shared with private lenders in return for greater rewards (sharing of premium income or otherwise) to them.

Within the structure of private financial institutions, additional strength and flexibility is desirable. This can be achieved in large part through Federal policy--historically a powerful force in the shaping of our financial institutions. Two such institutions, mutual savings banks and savings and loan associations, can measurably broaden the supply of funds for urban revitalization, with appropriate changes in structure and powers. The Task Force, therefore, recommends

-- the nationwide extension of the present regional mutual savings bank system, and

-- the broadening of mortgage investment powers of savings and loan associations, to include community development.

We believe that private financial institutions can be drawn even closer to the financing of urban development through an effective public/private administration structure. Such a creative partnership would be tangible recognition of the community of public-private interest. It would recognize that private institutions have more to lend than money; they have administrative and technical skills as well. Accordingly, the Task Force recommends

-- the establishment of national, State and local Councils of Redevelopment Financing Institutions (CORFI) to stimulate the private role in the development and financing of our new urban society.

Urban development fund system. Government programs and private commercial actions--however extensive--cannot do all the jobs needed to revitalize our communities on a general, comprehensive basis. There is and always will be a place for public-spirited efforts by not-for-profit groups of citizens--e.g., to serve as sponsors of housing for the elderly, the poor, and other groups with special needs.

Small amounts of capital in the hands of such groups, used on a revolving basis and under carefully prescribed conditions, can go a long way and accomplish great public good. But such capital is not easy to come by.

We, therefore, propose the establishment of a national system of development funds, with regional offices, which can be tapped by local civic groups as sources of revolving capital. The system could be analogous to the Federal land banks established earlier in this century to assist the Nation's farmers in obtaining the credit they needed. It would be operated under Federal charter, with public representation, but would be administered with a broad measure of independence and--after the initial reservation of revolving capital--without subsidy.

SECTION V

Organization

The inauguration of new substantive programs and the modification of old ones, in and of themselves, cannot significantly improve the urban condition of the United States. Extraordinary organizational and collaborative efforts are required by governments at every level.

Diversity and initiative should be the hallmarks of this national effort. Every recommendation of this Task Force has been designed to respect this diversity and to encourage the release of public and private energies.

But when energies are released on the scale we recommend and think justified, citizens and taxpayers have a right to expect consistent objectives and compatible means. To date, the urban policies and programs of this Nation have suffered badly from the lack of such coherence.

There is no magic by which consistency can be achieved. Certainly it cannot be imposed. But consistency can be worked at and encouraged.

Political leadership. First of all, we believe, a viable policy strategy requires political leadership. We recommend that the unifying potential of the offices of the President, Governors, and Mayors and other local chief executives be developed and encouraged. For it is in these offices that the future of our urban communities will be charted; by these offices that public understanding will be sought and public support will be mobilized; through these offices that plans for action will be proposed for approval; and through these offices that public programs will be administered and private efforts received.

A major aim of our report is to assure that elected officials at every echelon have the resources and capabilities to develop and carry out comprehensive policies--as distinguished from the piecemeal provisions of narrowly conceived functional programs administered by separate and professionally oriented agency heads. All activities need to have general oversight, review, and direction.

Concurrently, we need to know much more about the process of urban development in its physical, human, and decision-making aspects than we do now. And we need to carry our knowledge to the practioners in the field.

Accordingly, the Task Force wishes to make clear how it views the appropriate administration and continued refinement of its recommended programs.

First, it would expect that the block service grants, the special local facility grants, the social renewal plan and the revised renewal program would enable the mayor or other public bodies where appropriate, especially in larger cities, to bring together heretofore separate activities into a comprehensive strategy for local action.

Encouragement of effective leadership and coherent policies should begin where it is most needed: at the local level. The strengthening of the local capacity to act, to create, and to adapt is now a national imperative. There is no other way to ensure that "all that effort" by public and private sectors is turned into meaningful improvements in the life of the local community.

In most instances, this will mean strengthening the office of the mayor, helping it to become one which will attract the ablest of American citizens. Our mayors and other local chief executives not only should be able to hire first-rate talent; they should themselves have the stature and prerogatives the importance of their job demands.

We have therefore recommended:

-- Keeping Federal and State grants to local communities as flexible and discretionary as possible and prudent. Block grants are the most promising tools and obvious examples. In addition, we would urge that wherever possible, the "categorial aids"--grants for specialized purposes--(1) contain "set-aside" amounts free from the usual formulae and available for expenditure and concentration at local discretion and (2) be dispensed only in accordance with general community development plans in which the local chief executive has been given the chance and facility to exert strong leadership.

-- Substantial expansion of facilities for recruiting and training key administrative, managerial and technical personnel. The time has come for national, regional and local staff colleges for urban personnel. Federal support for such facilities would be most helpful and appropriate.

-- More and better facilities for research and technical assistance, especially to aid the municipal officials in handling the problems of smaller, outlying communities unprepared to cope with rapid urban growth and decline, and also of disadvantaged neighborhoods within larger urban complexes.

Second, on the State level, the metropolitan facilities program, the new communities program, and the comprehensive regional planning activities should strengthen the capabilities of the Governor and other officials to fashion general urban policies.

The unifying potential of the office of the Governor has been too often vitiated by the splintering of Federal grants and activities among so wide a variety of separate programs and agencies.

We would therefore recommend that where Federal programs are appropriately channeled through the States, as may be true in the case of regional facilities and new community corporations, the office of the Governor be given the authority and/or opportunity to exercise a coordinating influence.

Third, at the Federal level, to strengthen State and local leadership, the executive branch should:

(a) establish within the Executive Office an Urban Affairs Council, chaired by the Vice President and staffed so as to make possible the development of a coherent and integrated urban policy to orchestrate present Federal programs;

(b) recommend a Department of Housing and Community Development that comprehends at least housing and physical assistance programs;

(c) strengthen the Secretary's office and central programming and policy facilities of HEW to recognize the increased importance of welfare and education programs for an effective urban strategy; and

(d) reinforce the Federal capability to support State and local policies through the strengthening of Federal regional operations and subsequent decentralization of program responsibilities.

Urban Affairs Council. The Task Force appreciates that the establishment of the Office of Economic Opportunity represents an important addition to Presidential instruments concerned with urban affairs. This office, however, is concerned only with a few critical urban programs.

Two possibilities suggest themselves. Either the role of the Office of Economic Opportunity can be expanded to encompass programs for general urban assistance and development. Or an Urban Affairs Council can be established, composed of representatives of the major agencies having urban concerns and equipped with a secretariat sufficiently staffed for policy planning purposes.

The Task Force favors the second alternative. We are impressed with the heavy immediate responsibilities of the Office of Economic Opportunity and are not disposed to recommend that additional obligations be placed upon it. We also recognize that the Council approach can be undertaken quickly by Executive Order. We believe that the need to provide a mechanism for comprehensive consideration of the total array of urban programs and problems is so great that the ability to establish a Council almost immediately is an overwhelming argument in its favor.

In making this recommendation, the Task Force is aware of the disabilities of interagency coordinating devices. The record, we are prepared to admit, of such devices in other fields has often been mediocre and sometimes dismal. The successful creation of an effective interagency instrument often depends upon the degree to which individual agency missions supplement and reinforce one another rather than conflict. However, in our judgment, the agencies involved in urban affairs do exhibit a high capacity for adjusting to the programs and needs of other agencies.

Strong leadership for the Council will be essential. In view of the broad nature and scope of its coordinative mission, including a tremendous range of domestic problems affecting the vast majority of the population, we recommend that the Chairman of the Council should be the Vice President of the United States.

The Urban Affairs Council would not be concerned with the evaluation and direction of individual programs. Rather, it would work to make consistent the varied activities of such agencies and bureaus as HHFA, the Bureau of Public Roads, the Office of Education, the U. S. Public Health Service, the Office of Manpower, Automation and Training, the Under Secretary of Commerce for Transportation, the Area Redevelopment Administration, the Justice Department, the Federal Aviation Agency, the White House Office of Science and Technology, and the Council of Economic Advisers--where activities and interests of these agencies directly impinge on metropolitan affairs.

Department. The Task Force reaffirms the need for a Cabinet-level Department dealing with housing and related problems along the lines previously recommended by Presidents Kennedy and Johnson and expressed in the 1964 Democratic Platform. It regards the reasons originally advanced for this reorganization, including expected benefits in organization, administration, and coordination--to be stronger today than in 1960. It believes there is a core of closely related programs in housing and community facilities and services that can provide a solid basis for such a Department.

We understand that our companion Task Force on Governmental Organization is giving careful consideration to the detailed development of such a Department and specific recommendations as to what programs should be included are more properly in their province. However, in establishing the Department, great care should be taken to assure that appropriate powers and authority be vested in the Office of the Secretary. One of the chronic difficulties of agencies now carrying out urban programs has been the relative autonomy of bureau-level operations. Reorganization provides a new opportunity to strengthen top level management, and the Task Force recommends that every effort be made to assure that the Secretary is equipped with the tools necessary for his large tasks.

Even given a Department, the Task Force recognizes that it is not feasible to encompass all urban aid programs within a single agency. This is the reason we place such emphasis on Executive Office arrangements. This is also why we consider in the next section further coordinating devices at the level of the urban region itself.

Field organization. The great differences in circumstances from one urban region to another, the resulting variations in public needs, and the importance of timing and of quality of detailed administration all argue for decentralization of responsibilities. So does the historic pattern of American federalism that properly assigns to the national government a supportive role to State and local agencies wherever possible in domestic affairs.

Yet the achievement of genuine decentralization consistent with a balanced program is not easy. The number of separate national agencies involved, even given a new Department, and Executive Office Council, is sizable. The regional and district offices of many agencies are not always strong in staff resources and authority and their boundaries are rarely identical. Since the abolition of field offices of the Bureau of the Budget after World War II, no general coordinating devices have been available at the field level. Thus, intra-Federal coordination and cooperation has not been easy to achieve. A major persistent problem from the viewpoint of many State and local officials is the multiplicity of Federal agencies with which they have to deal.

Moreover, different national urban aids have had different relationships with State and local authorities. The Departments of Commerce and Health, Education, and Welfare have enjoyed their strongest working relations with the States while the Housing and Home Finance Agency has established more frequent contacts with municipalities. In the program revisions recommended earlier, it is apparent, for example, that a new city program under the public auspices of a development corporation would necessarily have to be charted by State law. Regional planning also is an appropriate State function. Yet in renewal and many human development activities, the most flexible and effective arrangement may continue to be through direct city-Federal relations.

An additional complication is the fact that many State and local governments are in the process of rapid transition. More and more State governments are recognizing that their key problems are urban ones, and are devoting distinguished political leadership to it. Competent and coordinative devices among jurisdictions have evolved rapidly in the last 10 years in the form of planning agencies, intergovernmental councils, and special districts. The tempo of participation by private agencies has quickened. No hard and fast formula for the most effective pattern of working relations therefore is available. However, the Task Force does urge reform along the lines which follow.

As a general rule, Federal agencies with urban missions should be able to fit their programs in different areas of the country to either State or local counterparts, whichever instruments for collaboration appear to be most responsive. Where strong State programs exist, enabling legislation is on the books, and clear program benefits are visible, there should be no bar to State-Federal collaboration. Similarly, where local governments are prepared to move ahead, agency tradition should not prevent direct collaboration. Indeed, for all major urban aid programs, the Task Force recommends "set-aside" appropriations specifically designed to encourage such collaboration.

Ideally, the Task Force believes that for every major urban region, a comprehensive inventory of needs and goals should be prepared by State and local officials working together in conjunction with such private agencies as are available. This is one approach fitted to the realities of modern urban life and organizational behavior that emphasizes systems analysis and performance rather than formal hierarchical relationships. It is also in keeping with the provisions for comprehensive planning in Federal transportation, renewal, and land-use legislation. It is only when a total "state of the region" estimate is prepared and capital and operating budget needs known that a comprehensive strategy for guiding the urban process will be available. This is the goal implicit in all of our program recommendations as well as in the general philosophy of the Administration that seeks to encourage creative federalism. To achieve this goal, we recommend that the Workable Program for Community Improvement now required for some programs be required for all Federal urban aids and be extended to emphasize social and economic as well as physical concerns, at the regional as well as the municipal level.

The Federal posture at the regional level should be designed to encourage the evolution of coordinated State-local action. To reduce the difficulties for States and localities inherent in dealing with many separate Federal agencies and to ensure balanced impact among the national urban aids, the Task Force has a number of suggestions to result in increasing levels of effectiveness.

(a) At a minimum, all urban aids should encourage coordinated regional comprehensive programs by providing more liberal assistance to projects initiated and processed with respect to region-wide plans than those proposed in isolation. The degree of State initiative and responsibility required will vary with the degree of collaboration effected by local initiative.

(b) For each State, a single Federal coordinator for community programs should be appointed to blend appropriate Federal activities to fit State and regional strategies for urban development. In States where several urban regions exist, coordinators could be appointed for each region. The central function would be to assure that there would be a coordinated Federal response to coordinated State and local proposals.

The lines of responsibility and the degree of authority possessed by the coordinator could be established under several alternatives and developed over time. If a Department is to be established within the year, the concept of designated agency can be employed and the State and regional coordination system incorporated within the legislation. Alternatively, the Executive Office facility could designate coordinators either from principal agencies especially appropriate to the specific area or as its direct representative.

In its initial stage, the system might function principally to facilitate the flow of information and communication, and thus rely on referral and review procedures, to carry out its assignments. Later, it should be possible to establish urban aid allowances on a State-by-State or region-by-region basis and vest various degrees of allocative authority in the system. It could also be possible to assign specific unspecified block grant funds to coordinators so that they might adjust Federal assistance to well-justified regional proposals that cannot be met under existing categories of aid. Finally, one can expect the coordinator system to supersede the existing regional and district office pattern for designated urban regions--in effect, taking the place of these offices within a specified geographical area, through the detail of agency staff and the development of a single office.

It is not contemplated that the coordination system would ever concern itself with the management and execution of individual programs. Its principal concern would be with the strategy of urban development in specific areas, the balance among programs and their mutual complementarity. The Task Force recognizes practical management difficulties that may arise in implementing this system. But it is impressed that the weakest link in present operations is at the State and regional level and to date Federal field offices have not achieved complementary and supportive approaches on their own. It is prepared for its gradual introduction.

Research and development. Research support in the area of urban affairs has been miniscule. For example, if the housing industry were to invest in research and development at a rate comparable to that of electronics, the expenditure would be $360,000,000, six to ten times the current rate.

To acquire urgently needed new knowledge and to transmit it, the Task Force has three major recommendations.

(a) Establish a National Institute of Urban Development, to be concerned with all aspects of the urban development process--including natural and human resources and technology and design--and would engage in both basic and applied research. Its work would be carried out both intramurally and out-of-house, with the prime purpose of serving as catalyst to private and philanthropic agencies and to various governments. Its governing board should be representative of both expert

knowledge and public leadership. In a more general context, we recommend the establishment of a National Institute of Public Administration either at an appropriate university or in a semi-autonomous standing associated with established municipal professional associations to provide training and research facilities on a substantial scale. We hope that this institution would also encourage the development of nationalized personnel systems in local government that permit transfer of endowment and pension benefits and increase the mobility of this vital sector of the work force.

(b) An Urban Extension Program. The concept of a Federal urban extension program paralleling our long-established farm extension activities has evoked an increasingly favorable response and has been carefully considered within and outside the Federal Government. We strongly urge the continuation of those experiments, and as deemed appropriate, expanding them into a network of research and extension facilities comparable in scale and commitment--though not necessarily in form and character--to the research and extension programs which for a century have so well served the Nation's agricultural community. Land-grant institutions may in some cases be the appropriate instrumentalities; but urban universities and other institutions also should be considered and involved.

In the development of urban extension, it should be remembered that the analogy between urban and rural programs is not a complete one. Although the same basic elements of research, training and technical assistance are involved, and the same cooperative and voluntary approach contemplated, urban extension must differ from its predecessor.

The enactment of extension legislation, thus, should proceed on a demonstration basis. This program could be a natural initial assignment to the State and metropolitan coordinator system outlined earlier.

(c) The "Demonstration" City. We believe there is need to accelerate the impact of the varied human development programs by a dramatic demonstration of ongoing and newly conceived urban aids in one or more especially chosen cities. Such a demonstration would involve long-range and short-term planning both for city-wide renewal and a comprehensive program of human services. The city should be of typical size and present typical problems of urbanization.

The selection of the cities could take place through procedures established by the White House. The recipients should be assured of Federal funds sufficient to develop a model program for urban America.

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