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THE NATIONAL ADVISORY COUNCIL
ON ECONOMIC OPPORTUNITY

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November 15, 1968

SPECIAL NOTE TO COUNCIL MEMBERS

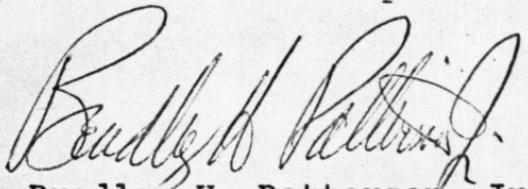
The attached paper is a staff
"think-piece" - nothing more.

It is being sent to you early to
give you a chance to read through it before
the December 4 meeting.

The Chairman and I respectfully
ask that you treat the paper with special
security and confidentiality in order to
preserve its privileged nature.

A very brief Recommendation Section
to this paper will be handed out at the
table December 4.

The purpose of scheduling this
paper for the Council agenda is to get
the Members' reaction to its substance in
a general way and to find out if the Council
would in any fashion wish to include refer-
ence to the subject in its next Report to
the President.



Bradley H. Patterson, Jr.
Executive Director

Attachment

THE NATIONAL ADVISORY COUNCIL ON ECONOMIC OPPORTUNITY

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NACEO - 13

November 15, 1968

Decentralization To Neighborhoods - A Conceptual Analysis

Since the National Advisory Council on Economic Opportunity is a continuing body, the staff's responsibility is to provide a continuing monitoring and analysis, focussed on the problems in the poverty area which reflect the Council's highest priorities.

Community Action is one of those priorities.

From the staff's examination of the literature, of OEO policy and of current happenings especially in New York, the problem which this paper addresses appears as a natural extension of the idea of Community Action: i.e. Community Control.

There is a dearth of analysis on this subject, but it is also one of the unique functions of an Advisory Council that it can look at and speak out about an emerging public issue perhaps even before that issue gets onto the agenda of the operational Departments and Offices.

In the heat of day-by-day or even hour-by-hour public events such as the New York City school dispute, slogans and shibboleths and even battle cries tend to take the place of thorough analysis. Shorthand phrases such as "the poor are power-hungry" or "the poor are lazy"; "recentralization" vs "decentralization", are all oversimplifications of little use practically.

This paper, then, is an approach to a first analysis. Its major objective is to explore the limits of some new territory in public affairs, to describe a hypothesis and then to offer both the affirmative and the negative reasons for moving or not moving in the hypothetical direction.

It is written on the assumption that the devising of and the experimentation with new structures in our social order is one of the creative aspects of our free society.

A brief recommendation section will be distributed at the table for consideration along with this paper on December 4.

Bradley H. Patterson, Jr.
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DECENTRALIZATION TO NEIGHBORHOODS: A CONCEPTUAL ANALYSIS

I. INTRODUCTION

A. The Problem

The August, 1968, statement of missions and objectives for the Community Action Program gives highest priority to "strengthening the means and capacity for more effective self-help efforts by the poor, individually and in organizations through which they can participate in planning conduct and evaluation of programs affecting their lives."

Other OEO sources take up this theme. In the CAP Highlight Statement for FY 1970, the Northeast Regional CAP Administrator pledges his concurrence and support for the CAP strategy of "decentralization to the neighborhood level." "Decentralization" he adds "is basic to our mandate to involve the poor in both the policy determination and program operation in their community." Other Regions' CAP statements echo the phrase "decentralization to neighborhoods."

In the recent past OEO's Community Action Programs have had a primary role in the decentralization of its own and other social service programs. Concern about and pressures for further decentralization, however, have come from other strong voices concerned with the administration of local governmental services and activities.

The U. S. Advisory Commission on Intergovernmental Relations, with two dissents, has just recommended:

The enactment of State Legislation authorizing large cities and county governments in metropolitan areas to establish neighborhood subunits of

government with limited powers of taxation and of local self-government with respect to specified and restricted functions including the administration of specified portions of Federal, State and local programs. Such subunits would be dissoluble by the city or county governing body at any time.

The 1968 Republican Platform pledges:

"Federal support to innovative state programs, using new policy techniques such as urban development corporations."

"New administrative approaches through flexible federal programs enabling and encouraging communities to solve their own problems."

"...a coordinated attack on the total problem through community human development programs."

"...maximum reliance on community leaders utilizing the regular channels of government to provide needed public services."

"In programs for the socially and economically disadvantaged, ... participation by representatives of those to be served. The failure to encourage creative and responsible participation from among the poor has been the greatest among a host of failures of the War on Poverty."

Mr. Nixon added: "I plan a streamlined federal system, with a return to the states, cities and communities of decision-making powers rightfully theirs."¹

The 1968 Democratic Platform also pledged:

--"changes throughout the system of institutions that affect the lives of the poor"

--to "marshal the power that comes from people working together in communities -- the neighborhood communities of the poor and the larger communities of the city, the town, the village, the region."

--to "support the extension of neighborhood centers... the principle of meaningful participation of the poor in policy-making and administration of community action and related programs."

¹ September 19, 1968 speech on the Conception of the Presidency by Richard M. Nixon, as reported in the New York Times, September 20, 1968.

--"to review current antipoverty efforts to assess how responsibility should be distributed among levels of government, among private and public agencies..."

--to "charter a new federal banking structure to provide capital and investment guaranties for urban projects planned and implemented through local initiative -- neighborhood development corporations..."

and Vice President Humphrey added:

--"New forms of neighborhood government must be considered by state legislatures."

Everywhere the shibboleths are growing in number and in frequency: "community control", "power for the poor", "black power", "decentralization", "local responsibility."

But whether it is OEO, or the platforms or the sloganeers, none of them are giving precision to their recommendations. Indeed it seems as though the calls and slogans for "decentralized control" have become so easy to use that they have taken the place of hard thinking about what specifics this concept is supposed to include.

Analysis is overdue.

This paper will be an initial attempt to discuss what has been done towards decentralization, what the degrees of control could be by a neighborhood organization over public functions (illustrated by a hypothetical model) and the pros and cons of even moving toward the hypothetical model.

B. Background

Decentralization as viewed in this analysis cannot be defined simply. It must be described in terms of its application, its objectives, and its uses and its limitations. As the term is used throughout this paper, it refers

to a relationship wherein subcity or subcounty units, usually identifiable neighborhoods with significant poverty and/or minority group populations, have come to exercise the "maximum feasible participation" in the public functions which affect those neighborhoods. The key conceptual questions are what is "feasible" and what is "maximum".

Decentralization can be used to serve any or all of three objectives:

1. Improving Communication --
between the central city government and socially-isolated and alienated neighborhoods. Perhaps the best examples of this are the neighborhood city halls -- in store fronts or fire stations or in dwelling houses -- now being established by some mayors around the country.
2. Improving Service Delivery Systems --
or access to services. We have had neighborhood police precincts, schools and fire stations for a long time. More recent and more pertinent examples include decentralization of social, health, and manpower services to neighborhood centers.

3. Redistribution of Power* --

away from traditional power centers to neighborhoods which historically have been powerless. The objective is in a sense paradoxical. It aims to provide a sense of power and identity to people living in neighborhoods which are powerless and invisible -- a degree of separateness. Yet it aims to link these people and these neighborhoods more closely to the larger community of which they are a part.

The first two objectives -- improved communications and improved service delivery systems -- may be necessary antecedents to the third, but they are separate and different from the objective of redistributing power.

Redistribution of power clearly is the objective which most militants, as the term is understood today, have in mind when they issue appeals for decentralization and neighborhood control. This is what many Federal antipoverty officials,

*Power as used here refers to the ability to sway or influence or have an effect on local government's decision-making processes. While it includes the power of the ballot, it is more than that. It is more than the ability or the right to vote for or against an individual mayor or city council; it includes the ability to influence the decision-making apparatus of the professionalized public officials who dispense services to citizens.

though not necessarily those in the highest OEO levels, mean when they speak of decentralization to neighborhoods.

C. Recent History of Decentralization

There has been experimentation with Neighborhood City Halls in New York City, with Mini City Halls in Columbus, Ohio, and similar efforts in other scattered locations in the Nation to improve communications and to provide ombudsman services. But these examples are few. The Community Action Program of the Office of Economic Opportunity has provided us with the greatest wealth of fairly recent experience in decentralization; it has been a large-scale demonstration of approaches to decentralization.

More or less in the order of their evolution came:

1. Physical Decentralization

Early in the history of CAP a network of neighborhood service centers was established in cities funded for community action.

Representatives of City or County or State welfare departments, health, employment, code enforcement, and legal services personnel were stationed in these centers, thus providing easy access or referral to their services. Other Federal and State programs such as the USES and welfare agencies have followed suit and are establishing neighborhood stations either in their own facilities or in those of Community Action Agencies.

OEO estimates that as of October 1, 1968, across the nation there were approximately 800 neighborhood service centers established and operating.

Physical decentralization has improved communications and service delivery systems. By itself, it has done little to redistribute power.

2. Advisory Councils. The neighborhood centers referred to above were established in formally-designated target areas. Establishment of the neighborhood centers was more or less simultaneous with the creation of neighborhood advisory councils -- institutions created to provide a vehicle for neighborhood advice to the city-wide Community Action Boards and to the neighborhood center directors. In the earliest days, members of advisory councils were usually representatives of other neighborhood groups, churches, clubs and the like and very often not from the poor population. These members were simply appointed by the Community Action Agency from local leadership. Lately, advisory council members have come to be selected through more representative procedures. The ratio of poor persons has tended to grow, and thus at least, theoretically provided a greater amount of representation for poor people.

According to OEO estimates, as of October 1, 1968 there were approximately 1000 neighborhood advisory councils throughout the nation on one or another aspect of the poverty program.

The development of these advisory councils has helped to facilitate improvement of communications between poor communities and central authorities. However, although some neighborhood advisory councils may have exercised limited controls, redistribution of power beyond the advice function was not part of their purpose.

3. Neighborhood Corporations. The next step has been the maturing of some of the above described councils into neighborhood or community corporations. They are neighborhood-based, corporate bodies chartered under the not-for-profit corporation laws of their respective states. The neighborhood corporation idea is still in the process of growth and change. The first corporations apparently developed without much formal guidance from OEO/CAP, but at the local level they were designed to assume control and operation of all CAA functions within their respective neighborhoods. Advisory councils were simply that: advisory groups. The neighborhood corporations have the advisory role -- some have only that -- but in many places now they are more institutionalized and serve as delegate agencies of the city-wide CAA and are in fact responsible for all CAA activity in their areas.

The thrust of OEO/CAP thinking at this time apparently is to develop and strengthen neighborhood corporations in all eligible communities around the country and then strongly to promote the contractual delegation of community action agency functions to them.

The city-wide CAA would become a planning and coordinating agency rather than an operator of programs.

Neighborhood corporations are new institutions, and their creation does represent the development of a vehicle for the formal sharing of power between poverty communities and local (central) antipoverty authorities. These corporations have planning, administrative and evaluational functions with respect to their programs. To date, their functions have largely been limited to Federally and privately financed anti-poverty programs, but there is wide belief that they can serve as workable models for the decentralization of certain county and municipal services -- that they can serve as vehicles through which power can be redistributed.

4. National Community Development Corporations.

Another new community institution has been proposed by S 3875, the "Community Self-Determination Act of 1968." It would be a federally chartered National Community Development Corporation (CDC) -- designated primarily to carry out ghetto economic development activities.

The Community Development Corporation would be a body:

organized by the people of an urban or rural community, and chartered pursuant to this title, for the purpose of expanding their economic and educational opportunities; increasing their ownership of productive capital and property; improving their health, safety, and living conditions; enhancing their personal dignity and independence; expanding their opportunities for generally meaningful decision-making and self-determination; and generally securing the economic development, social well-being and stability of their community. As a body corporate, any such corporation shall, from the date of final incorporation, be empowered to ...

- (10) undertake any form of civic, educational, benevolent, or charitable activity designed to further its corporate purposes.

Community Development Corporations might provide an additional means of decentralization for the purpose of redistributing power, but this is not clear. It is clear that if S 3875 or something like it is enacted in the next Congress, the Community Development Corporations will be new economic institutions and will likely represent a new and different kind of economic and perhaps political power base.

* * *

The accomplishments of the poverty program as just described, the debates about the Model Police Precinct in Washington, D. C. and about school decentralization in New York City and Baltimore, the proposal in S 3875 and the rhetoric of the 1968 Presidential campaign have all contributed to an escalation of popular interest in the slogans of "community control" and "decentralization."

We must look behind the slogans to the substance of what they mean.

II. THE DEGREES OF CONTROL: A CONCEPTUAL MODEL

Beyond the pressures and beneath the slogans, what is the substance of the idea of "neighborhood control?"

Control what?

Control to what extent?

This is a problem of spectrum and range -- of choices within upper and lower limits.

What are the spectrum and the limits?

First, some assumptions:

1. Assume a neighborhood (smaller than a city) with identifiable boundaries and a poverty population of significant but of course not 100% proportions.¹
2. Assume a single, comprehensive neighborhood organization, or a federation of smaller organizations, with its Governing Board periodically elected of residents by residents, organized into sub-districts.

¹The connection between poverty neighborhoods and the early applicability of decentralization is not accidental. Citizen groups in affluent neighborhoods have long known how to put their hands on the levers of power and make their local governments responsive to them; up to now the poor have not had this capability. While everything in this paper in theory could apply to any urban neighborhood, the practical need is greatest in poverty areas.

3. As an alternative to 1 and 2 (which imply common boundaries of public services, e.g. school districts, police precincts, welfare jurisdictions, hospital service areas which coincide, and which assume a single, overall neighborhood organization), assume simply that a given public service is rendered within a specific, demarcated district or neighborhood service area. Assume that within that area there exists or is created a local district citizens' organization concerned exclusively with that service, and has its Governing Board periodically elected of residents by residents.²
4. For either 2 or 3, assume that voter turnout and Board attendance is sufficient to enable the Board to be called representative of all the residents of the area.
5. Assume that the neighborhood organization is incorporated and can receive and spend funds. (It may or may not also be conducting private, commercial activities for profit.)

² Assumption 3 comes closer to describing the actual situation in most cities, but this could grow or be transformed into the situation in assumptions 1 and 2 over time.

What this paper will try to identify is:

- (a) the public (municipal, county, state or even federal) functions affecting the neighborhood in which a neighborhood organization ought to participate.
- (b) the degree of participation -- which is to say the degree of control -- a neighborhood organization could be imagined to be granted vis-a-vis these public functions.

For discussion purposes, this paper will sketch out a model with hypothetical examples. The model merely indicates possibilities, within ranges. Militants will contend the resulting profile of control is too modest; moderates may view it as too high.

A. The upper edge of the spectrum of control modes is unreviewable sovereignty. It is the contention of this paper that there is not a single public function over which a neighborhood organization by itself could be entrusted with truly sovereign control. The threads of living in our contemporary society are so woven together that no one geographic area of our contry could be the sovereign judge of the performance of even the most rudimentary public function. A neighborhood corporation could arrange to clean its own streets but if the street cleaners went on strike or otherwise mass-ively failed to perform, the city or the National Guard would ultimately have to step in and clean the streets; public health and safety would not permit anything else. A more practical argument against such unqualified sovereignty is that in the disadvantaged neighborhoods where the slogans about "control" are most heard, funds for public functions originate from outside the neighborhoods. Sovereignty melts in the face of subsidy.

B. Short of unqualified sovereignty, the next degree of control is delegation: a formal contract entered into between a city government, for example, and a neighborhood organization that the latter will be in charge of a given public function. By "in charge" this paper means a lump-sum transfer permitting the recipient organization to operate the function from start to finish; it includes power over all appointments and dismissals, over equipment and frequency of service, and responsibility for handling complaints. It implies that the organization would compile and justify a periodic budget for the neighborhood-wide function, (but naturally could not guarantee the automatic approval of same by the city authorities). Of course, what the city government can give, it can take away again; such delegations would contain clauses which could act to bring about revocation of the delegation under certain conditions.

There could be perhaps four kinds of qualified delegation contracts, ranked in the degree of "control" by the recipient organization:

1. A Standing Delegation -- which specifies that the neighborhood corporation could operate a specified public function in that neighborhood indefinitely subject to revocation only in case of a massive failure by the neighborhood group to perform the function.

For purposes of discussion, our conceptual model could be a neighborhood organization which is given a standing delegation over the following public functions: trash removal, street cleaning, rat control, the pickup of abandoned automobiles and the setting of neighborhood parking regulations (except on main arteries).

2. Periodic Delegation -- which must be renewed periodically (e.g. annually) but which carries the presumption of renewal. It is subject to review and appraisal from time to time, but it is alterable only at the end of each period of delegation.

Our model foresees a neighborhood organization having a periodic delegation to operate neighborhood service centers, Head Start classes, Parent and Child Centers, day-care centers, remedial education programs, homemaking, consumer education and similar adult classes.

3. Interruptible Delegation -- which would be renewable periodically but which could be terminated at any time if an inspection or evaluation produced evidence that health and safety standards were not being followed.

Our model could include the running of a neighborhood health center on an interruptible delegation.

4. Reversible Delegation -- which would permit the city or county governing body, by 2/3 vote, to overturn individual case decisions within specified time limits. (Even if such a vote failed, the possibilities of court review would be unaltered.)

In our conceptual model, a neighborhood organization could be given a reversible delegation over neighborhood zoning, condemnation of abandoned dwellings, housing code inspection and the setting of penalties for violations including institution of escrow arrangements for rent withholdings and the power to charge the cost of emergency plumbing, heat, etc., repairs to a property owner.

- C. A third degree of control which could be put in the hands of the Governing Board of a neighborhood corporation would be a privilege well known in the conduct of foreign relations; the power to declare a given official with exclusively

neighborhood functions persona non grata in terms of assignment to that particular neighborhood.

Such a veto right would be qualified as follows:

- (1) it could be applied only to the supervisory and not to subordinate staff. This would not preclude, in fact it assumes, open and frequent presenting to supervisors of the community organization's views about the competence and quality of individual members of their staffs. A supervisor, however, would be allowed to assume responsibility for his staff and his program and then stand or fall on what he has done;
- (2) it would be applicable only after one full year's experience of the supervisor in the job he holds;
- (3) it would mean that the supervisor would be transferred but not necessarily dismissed; his tenure and career status in a city or county wide system would not be infringed;
- (4) it would be invoked only upon 2/3 vote of the Governing Board: and
- (5) it would not preclude the city or county's or higher right to name an acting supervisor in order to make sure of the continuance of the public function itself. The acting supervisor would be subject to the veto at the end of a full year.

In the conceptual model envisaged in this paper, a neighborhood corporation could apply this veto to its school principals, its local police precinct commanders and to any other neighborhood-wide supervisors of public functions not already included under the delegations described above (e.g., model city planners, welfare supervisors, administrators of publicly subsidized hospitals the service area of which is limited to the neighborhood, local USES officers, branch postmasters, local Selective Service Board members).

D. A fourth degree of control, harder to describe than the others, could best be called the mode of shared decisions. Certain public functions can be identified which on the one hand require common standards over wider areas than a neighborhood (e.g., city, county, state, region or nation) and consistent enforcement of them, yet which on the other hand permit, within those standards, discretion at the neighborhood level for innovation, enrichment or variation.

In this mode, there are two platforms of decision: the first as to just where the dividing line is between wider conformity and local variability, and second, what the local variation is to be. The sine qua non here is negotiation, intimate and protracted as necessary, but most productive only with

open communications and a certain minimum of good will.

Foreseeing instances where there would be neither, the final say about decisions on the first platform would have to remain in the hands of the wider unit authorities; the final say on the second platform of choices would remain clearly in the local organization. Funding decisions for the neighborhood variations would be similarly delineated; the size of any lump-sum budget transfers would have to be decided by the wider unit authorities; the use of contributions (if any) originating in the neighborhood could be applied to the local program variations.

A few examples are suggested; there are undoubtedly many more:

- (1) In the public school curriculum, for instance, negotiations with the city or county School Board could result in classes of ethnic specialities being included in neighborhood schools but not wholly substituted for the minimum social studies program required for a city, county or state diploma.
- (2) In police operations, neighborhood-precinct negotiations could produce priorities within the neighborhood for intensity of patrolling or could set up special police-youth arrangements but could not by themselves determine city-wide pay levels.
- (3) Negotiations with the public transit authority could determine the number

and location of bus stops within the neighborhood but not the city-wide frequency of service.

E. The fifth level of control is really not control at all, but advice from the neighborhood on questions which affect the neighborhood directly yet which have to be decided by wider authorities because of their obviously wider impact. Advice in the thesis of this paper, however, means advice in advance -- and this implies:

- (1) advance notification that a decision is to be made in the future;
- (2) written information distributed in advance by the wider unit authorities to the neighborhood corporation which is full enough (choices, costs, timing) to permit thorough consideration;
- (3) Informal conferences, formal hearings, referenda -- whatever devices need to be arranged to ensure the presentation of representative neighborhood opinion prior to the decision deadline.

Examples of decisions where neighborhood advice is essential but neighborhood control impossible are: the location of freeways, subways, bus lines, airports; the city (or county or State) standards for the public school curriculum, for welfare payments, of police "rules of engagement"; the standards and criteria against which neighborhood proposals or performance in categories B and D will be judged.

F. Just to describe the full spectrum: there is a "bottom zone" of no control at all, and of no information either. It might be called "comment after the fact." In this today-all-too-frequent category are decisions which affect the neighborhood, but which are made by wider authorities without any sense of responsibility or effort toward advance consultation with or even information to neighborhood representatives. (Perhaps in many cases, this is partially the fault of the neighborhood itself in that its residents are neither alert nor organized to participate in protecting their own self-interests.)

It is part of the thesis of this paper that such a mode of city-to-neighborhood relationships is no longer acceptable in areas where breaking the cycle of poverty depends on making changes in public institutions.

Several concluding comments to this conceptual chapter:

1. In the relationships described in Categories C and D, as well as in E, close, continuing, formal and informal advisory contacts are an absolute essential, and this, in turn, means, without exception, advance exchange of information (e.g. on program, budget and facilities) and open, easy channels for considering complaints. The resulting "advisory" negotiations may turn out to be vociferous, raucous and even abrasive, but these characteristics have never been alien to American democratic life and are infinitely to be preferred to the violence which is an all too familiar alternative to citizen participation.

2. The most perfect arrangements for participation in and control of institutions and services are still no substitute for the allocation of enough resources to permit those institutions and services to meet the needs that exist. Structure won't take the place of money; nothing in this paper should imply that it does.

3. In all the categories, the residents of a given neighborhood who even after negotiations believe themselves to have been wronged by city or wider authorities naturally have a final avenue of influence open to them: reprisal at the ballot box. Nothing in this model would operate to

diminish that capability; in fact, it could be argued that the civic awareness which these relationships would generate would greatly enhance the degree and sophistication of neighborhood residents' participation in the political life of their city, county, state and nation.

4. A maximum feasible amount of the professional and all of the nonprofessional employees in all of these public functions would come from the neighborhood; out-reach workers for any of these functions could, in fact, be employees of the neighborhood corporation itself.

5. The governing Board of any single neighborhood corporation (i.e. under assumptions 1 and 2 on page 11) would probably have sub-committees: on Education, Police, Health, Welfare and other functions. It would have a staff, not only to serve the Board and its Sub-committees in a professional way, but also to operate the delegated programs. It would be indeed a little city hall.

6. It is interesting to note that the Commission on Intergovernmental Relations, while cautioning that "the purpose here is to permit the creation of subunits of existing local governments -- not the creation of new local units" would even endow the "neighborhood subunit" with

"limited powers of taxation, such as a fractional millage on the property tax to be collected by the city or county as a part of the property tax bill and returned to the neighborhood for use as its governing body determines. Per capita taxation or periodic neighborhood association 'dues' might be authorized."

* * * * *

It would not be inaccurate to sum up this model as the profile of a political animal: a representative institution performing public functions.

The question now is, what are the benefits and disadvantages of moving toward such a model? Would it be good public policy to do so?

This paper, it should again be emphasized, is strictly a conceptual/theoretical analysis. How one would actually go about moving toward decentralized control, legalizing it, phasing it, financing it and monitoring it, are matters which would have to be the subject of separate study and of individualized action plans.

III. THE ADVISABILITY OF NEIGHBORHOOD DECENTRALIZATION --

A DIALOGUE OF PROS AND CONS

PRO

CON

Neighborhood government is only a very new extension of a very old principle: that "governments are instituted among men, deriving their just powers from the consent of the governed" and that sovereignty resides in the people. Even 130 years before the Declaration of Independence and 43 years before Locke, a voice spoke up in the aftermath of the Cromwell campaign:

"Really I think that the poorest he that is in England hath a life to live as the greatest he; and therefore truly, Sir, I think it's clear, that every man that is to live under a government ought first by his own consent to put himself under that government; and I do think that the poorest man in England is not at all bound in a strict sense to that government that he hath not had a voice to put himself under." ¹

1 The Clarke Papers. Ed. by C.H. Firth, Vol. 1, p. 301. Camden Society Publication, 1891-1901. Cited in G.H. Sabine, A History of Political Theory, Henry Holt, 1937, p.483

PRO

This principle is fundamental to American political life and to all the structures of the American republic. It should come as no surprise to hear it raised on behalf of a neighborhood as it was once raised on behalf of a nation.

CON

Of course sovereignty resides in the people, but the people of our cities and counties and states have created and now live under representative political institutions. Neighborhoods, wards, precincts elect aldermen or city councilmen, and the citizens collectively elect mayors. Thus rich and poor neighborhoods alike enjoy government by the consent of the governed.

No, they don't, and to understand why one must probe just what "government" consists of in contemporary society. In the context of this paper,

PROCON

government is the delivery of services. But many services are being delivered on so vast a scale that the organizations of government servants who perform this function have themselves become vast institutions; complicated, specialized, professionalized and (as a reform against earlier abuses) insulated in their standards, criteria and policies from influence by the elected officials themselves, not to mention the citizenry.

On top of this, many of the very services which government institutions have dispensed are out of date or wide of the mark when judged against the need of the very poor: social security which is no help to the jobless; veterans' benefits not applicable to the draft rejectee; home mortgage subsidies not available to the family with no savings, farm price supports pass-

PRO

ing over the heads of tenants or migrants; employment counselling to upgrade chiefly the man who already has a job, urban redevelopment which reduces instead of expands housing for the disadvantaged.

This kind of "government" has become so insulated and so misdirected that to the disadvantaged, "popular sovereignty" is a bitter joke. So bitter that there is threatened the alienation of 26,000,000 citizens from the democratic process itself. Such is the alienation that the "securing of domestic tranquility" is in doubt.

CON

It's the very acceleration of expectations for institutional change at a rate faster than institutions can change which is creating the frustration and alienation.

Attempts at structural,

PROCON

political change such as the conceptual model portrays, will just add to the frustration. Structural retinkering is no substitute for more resources -- more money for schools, clinics, job training, remedial education, housing, and so forth.

Decentralization is not intended as a substitute for more resources, but just allocating more money to the centralized, paternalistic bureaucracies of public schools, public health, public welfare, urban renewal departments, etc., will not suffice any longer. More money will just make them bigger, more paternalistic and more remote. Participation by the people in self-government -- by the recipients of services in the decisions about those services -- is an intrinsic need and an inherent good; that need must be met over and above

PROCON

the parallel problem of furnishing adequate resources.

There is a bald contradiction between arguing for decentralization and at the same time asking for more resources. Where will all these resources come from? Where do they come from now? From the neighborhoods themselves? Of course not; they come into poverty neighborhoods from the outside, from federal, state, county, city taxpayers' collections. Neither legislatures nor executives in those wider jurisdictions are going to pump appropriations into poverty neighborhoods and then give up control, appraisal and the clear right to cut off misused funds. You can't have decentralization with somebody else's cash.

PROCON

That's one of the reasons why there can be no completely "sovereign" decentralization. The conceptual model described in this paper assumes and makes allowances for the qualified control and for the accountability which outside subsidy requires. The cash is important but structures allowing popular participation are just as vital.

It's a strange kind of "popular participation" though, when the outside funding sources-- the Executive Branch, the Congress state, county or city legislature -- can cut off the resources to such a "popular" corporation at any time, especially when there are abrasive clashes over controversial issues. Makes the neighborhood corporation look like a puppet on a string, a delusion rather than an accomplishment.

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As was explained when discussing the model, there is no possibility of sovereignty or full independence for neighborhoods; our society is just not made that way, regardless of where funds come from. But within the model framework of limited powers there are areas of control which can be shared to a far greater extent than most neighborhoods are treated today by city, state or federal government. Furthermore, the very creation and initial operation of neighborhood corporations will help build up two forces long lacking in poverty neighborhoods: the institutions and the public alertness for meeting and dealing with the issues affecting them.-- and that will be a genuine accomplishment with wider effect than just in the neighborhoods.

As for finances, the Commission on Intergovernmental Relations has recommended that neighborhood subunits have a modest taxing power; the proposed

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Community Self-Determination Act would permit neighborhood corporations to raise some funds on their own by selling shares at \$5.00 to neighborhood residents. Yet it is conceded that this would only be a fraction of the funds needed; what we are after here are new forms of citizen participation in self-government.

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But the model goes too far. The nation ought at least first to try out what the National Advisory Commission on Civil Disorders recommended: the Neighborhood City Hall; to try out what the President's Commission on Law Enforcement proposed: citizens' advisory committees in each police precinct.

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In terms of development, perhaps they should come first; it's true that such ideas are being tried out in only a few cities (e.g. New York, Washington, D.C.). But from a conceptual point of view we shouldn't deceive ourselves: these experiments are fundamentally communicative or advisory only; they do not confer any real responsibility or control on neighborhood citizens. This paper is examining the question of whether we should go beyond the advisory to the control function and if so to what extent.

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Participation in the control function is an inherent good, but the way to perfect it is to re-open the lines of influence and control from citizen through elected officials to the government employee -- who can thus be constantly reminded that he is a

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servant of all the citizens. The task is to make government institutions and bureaucracies again responsive to elected representatives and executives (but without recreating the spoils system). This is the avenue of needed reform, rather than the creation of new political subunits of government. Strengthen the hands of Mayors and Governors over their bureaucracies; remove statutory and constitutional barriers which fuzz what should be the clear lines of authority from elected executives to government employees; consolidate or at least coordinate the separate spigots of federal assistance. Locally, reform must be aimed at raising the quality, quantity and efficiency of the services poor neighborhoods need.

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The Commission on Inter-government Relations said, of course,

"this proposal [for neighborhood sub-units] will not draw high marks from purists in the fields of political science or public finance. However, in this time of crisis, change and challenge in our congested urban areas, political leadership at the State and local levels should not shrink from experimentation but be ever ready to seek more effective institutional arrangements to encourage the active participation of citizens in the affairs of their neighborhood and the local units of government."¹

Yes, press on with all those reforms, but their achievement will take too long and be too indirect to meet the thoroughly justified and wholly American insistence by the alienated poor for "a piece of the action." The vocal poor don't really trust the governmental system's ability to reform itself, as just described; they want a crack at reforming it personally and the doctrine of popular sovereignty makes their demand appear quite in keeping with American tradition.

¹ Advisory Commission on Intergovernmental Relations, Fiscal Balance in the American Federal System, Wash, D.C. October, 1967, page 17.

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Push ahead with physical decentralization, yes but there are profoundly disturbing implications in any further political decentralization -- in fractioning government further into subunits at the neighborhood level. That's creating more local competition just when it is clear that metropolitan-wide or even region-wide solutions are necessary to the problems of poverty.

The conceptual model makes allowance (Category E) for those areas of decision which are clearly city-wide or State-wide or larger.

Here, the role of neighborhood organizations can only be advisory, but how much of metropolitan or regional planning today even makes provision for neighborhood

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advice? The model also specifies a Category D -- the area of "shared decisions" and here much pioneering should and can be done through negotiation to reconcile the need on one hand for metropolitan or regional public programs and the need on the other hand for government that is still close to the people.

But listen to Nathan Perlmutter, Associate Director of the American Jewish Committee, writing in the New York Times Magazine (October 6):

"...the larger the political subdivision, the more likely will its disadvantaged minority blocs, ethnic as well as economic, receive a fair shake. When social standpatters barricaded themselves behind states' rights, liberals successfully relied on more inclusive, more progressive Federal powers. Where municipalities have refused to bestir themselves in order to meet the needs of Topsy-growing

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megalopolises, liberals have championed more inclusive, more progressive metropolitan government.

...'Let's return government to the people!' This, of course, has been the plaintive and self-serving cry of right-wing Republicans since "That Man" moved into the White House in 1932 and of Southern Democrats for more than a century. The reactionaries, at least, knew what they were talking about.

For, despite our romanticizing of yesteryear's Town Hall, localities are far more likely to be provincial on matters of race and taxes than are larger political subdivisions. The smaller the subdivision, the more homogeneous is its social outlook. The larger, the more heterogeneous it is, and the greater the political requirement of its would-be officeholders to be responsive to a mix of social interests. Consequently, the Mayor of Albany, Ga., is not nearly the liberal that Atlanta's is, nor can he be and remain as Mayor....

The fact is that for all of its vulgarities and insensitivities, big government has served small people--racial minorities, religious minorities, political minorities, ethnic minorities, the poor. And, as an extra-added dividend, it has rendered city bosses vestigial, so much so that the few survivors are political anachronisms. Ironically, however, the new direction in which liberal intellectuals are headed, albeit the road signs read "decentralization," and "indigenous control," lead to places to which we have been and from which they themselves have wisely led us.

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Indeed, during the very week this past summer that former Gov. George Wallace was calumniating liberals and intellectuals and urging the "return of your local schools to local control," Mayor John V. Lindsay was packing the New York City Board of Education with appointees pledged to effect that precise end."

George Wallace's and John Lindsay's proposals for "local control" are quintessentially different. What Mr. Wallace intended was local control independent of any national (e.g. Supreme Court decreed) standards, guarantees or "guidelines" especially with respect to the rights of minorities. Nothing in this paper should be interpreted as allowing any future neighborhood organization to trespass on the civil rights of any who would be minority groups therein -- black, white, Indian, Puerto Rican, Spanish American; such rights would continue to be guaranteed from whatever level necessary including

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the Federal Government. In the model in this paper, the civil rights of minorities would continue to be among the non-negotiable "common standards" described in Category D (page 17).

Perlmutter charges that because State and local governments were unresponsive, "provincial", and the abode of "social stand-patters", they have been challenged since 1932 by liberal reforms from above, i.e. Washington. But the new injection of liberal adrenalin may now come from below; mini-governments at the neighborhood level may now help accomplish what maxi-government in Washington has only done in part.

In fact, the biggest government has not well served the smallest people of all: the poor. Recent studies have shown all too clearly the hardening of the

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arteries which has occurred in the local arms of the Federal bureaucracies for housing, Selective Service, agriculture and employment; now they too need the challenge which a new liberalism -- of mini-governments -- will present.

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The rebuttal of Mr. Perlmutter may sound fine in theory, but look what happens in fact: creating political units at neighborhood level greatly exacerbates racial and ethnic rivalries. Illustration: the New York City school dispute. As Daniel Moynihan recently put it:¹

"Unfortunately, a good deal of decentralization talk is fundamentally anti-government in spirit, and this can be a calamity in areas such as race relations ...Forcing [a mayor] to break up his administration into endlessly

¹ The New Racialism,
Daniel P. Moynihan,
The Atlantic Monthly,
August, 1968

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fractioning units will bring on anarchism at best and chaos at worst. Given the heterogeneous political community of most cities, this potential for ethnic and racial chaos...is especially great.

School decentralization in New York seems to be encouraging just this. The problem is that now, as ever in the past, the lower classes of the city are ethnically quite distinct from what might be termed the bureaucratic classes, and neighborhoods tend to conform to these distinctions. The result is that conflict induced between the two groups gets ugly fast."

In fact, the New York Times relates an incident in New York

City:

"To applause from many of the 3,500 persons in the hall, [Herman B.] Ferguson called for community control of the schools as the first step to forming a 'separate black nation.'"¹

That neighborhood lines and ethnic lines are often the same today is not to be denied. This paper assumes that all the efforts now underway to loosen up those

¹ New York Times, Editorial, Sept. 27, 1968, page 46.

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lines (open housing laws, voluntary school bussing, improved city-wide transportation services) will continue or be accelerated; yet for many years there will be ethnic neighborhoods and tension between those neighborhoods and the wider units of government.

The answer to Mr. Moynihan is not to deny the "potential for ethnic and racial chaos" but rather to point out that the perpetuation of patronizing alienation of ethnic neighborhoods from central city or county government is equally or rather even more fraught with the potential for racial strife than decentralization to the extent the model indicates.

Out of the very negotiations and debates about delegations and shared decisions which this model envisages, is likely to come some

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rancor, but also some heightened understanding of the problems of government and some fruitfully shared decisions. (Amid all the uproar in Ocean Hill/Brownsville, a modified curriculum for the schools in that area is quietly being developed with \$200,000 in New York State funds.) A modicum of "black power" or "Puerto Rican Power", like "Irish Power" may have to precede the long-range integration of all groups in our nation.

As for the extreme statement, the model in this paper already makes it clear that the idea of separateness implied in the word "nation" is both impossible and unacceptable.

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But having all those new local institutions performing all those public tasks astronomically multiplies the points of advice and negotiation and therefore of potential difference and scrapping between neighborhood and city or county, whether on ethnic grounds or not. It's an invitation to perpetual confrontation. (Of course, that's why the Commission on Intergovernmental Relations stressed that the new subunits it recommended must be able to be "dissolved ... at will" by the city or county government which authorized them.)

If a confrontation of city government vs. a duly authorized neighborhood corporation escalates to fever heat over a given issue, the tactic of totally dissolving the entire corporation would tend to snap off all rational communications between city and

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neighborhood and would probably lead to violence. In the model suggested in this paper, uncompromising disagreement on an issue between city and neighborhood would result in a withdrawal of the delegation to perform that function, but would not contemplate such an incendiary move as dissolving the entire neighborhood institution.

Of course this model, or any approach to it, multiplies the points of advice, negotiation and likely friction between neighborhood and city but it is better to plug in fuses across these gaps than leave them as open gaps with the accumulated voltage of decades building up...

It means that the city and county -- even States and Federal government -- are going to have to provide information and to consult and to negotiate with citizens determined to protect their rights and interests.

That's long been the way governments

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have dealt with wealthy citizens or potent private groups; it's about time it becomes the mode of dealing with the disadvantaged, abrasive though it may be.

Consider also what a real and permanent good it will be for the nation to bring into its political mainstream another ten million adult citizens who are no longer ignorant or apathetic but who are alert, experienced and competent in self-government and local affairs.

Neighborhood decentralization of services means negating the economies of scale which city-wide or State-wide delivery of those same services can achieve.

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In part, that is a price worth paying to achieve both the fact and the feeling of participation in American government which is now so lacking that the gap is at a danger point.

The possibilities of corruption are multiplied by the number of new neighborhood public service units that are created. Cases in point: Haryouact and the Blackstone Rangers.

On the contrary, the closer to the people is a system of government service, the more it is under the watchful eye of the public. The big, centralized police departments of Chicago and Washington had putrid scandals a few years back; New York City's Water Commissioner has just been put in jail.

But why should the recipients of services have control just because they are recipients? Mr. A. Donald Bourgeois of the Urban Coalition calls it a "myth" that "the place of the suffering is the place of the solution." As he explains it:¹

"...because of the depth of their plight, indigenous residents are overwhelmed with the magnitude of their own individual problems and produce surface-scratching solutions. Immediate seemingly highly necessary items are demanded initially without any concern to future effects of even immediate side-effects or feedback. Almost without exception the plans and programs produced show no linkages or ties to each other. ... In the ghetto priorities change frequently, sometimes on a day-to-day basis. Any crises which arise (and they occur with daily frequency) can and usually do change the aim and direction of a planning effort. Matters involving the school system or the police, for instance, easily and quickly divert well-meaning resident planners from the task at hand."

That initial question about control by recipients is best answered by the opening pages of this Section. The problems of "surface-scratching", feedback and linkage are essentially problems of a lack of sophistication and a lack of technical competence in planning and organizing. Trained people are needed.

¹ Urban Coalition Press Release: Speech at Ohio State University, Columbus, Ohio October 18, 1968

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The sophisticated know-how is scarce; the answer is not to keep the citizens at arm's length but to educate and train them to take on these responsibilities. The attitude of "we experts know best" is paternalism at its worst.

CON

But poverty neighborhoods just don't have the trained people adequately to support participation in, let alone control over public functions of a modern society. School curricula, zoning, model cities planning -- these are sophisticated questions. Participation and especially control could be a farce, or worse.

But the chicken is before the egg: those arguing for decentralization are demanding it now, before any significant training has been completed.

One impressive lesson the poverty programs of the last four years have taught us is the hidden talent for intelligent self-management of their own affairs which, when the chance comes, blossoms from among economically very disadvantaged people. The fact of decentralization -- not the promises any more -- will be the real stimulus for the training and technical assistance which is needed. Federal, State and local governments will have to help -- a lot more than they have been. Not only OEO, but all the Federal and State human resource agencies can do more to enhance the technical competence of neighborhood organizations to enable them to bear sophisticated responsibilities. If some "slippage" occurs, that will simply be another price we shall pay in return for the greater value of time-worn slogan: "Government of the people, for the people, and by the people."

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The "con" side sums up its case against the kind of neighborhood decentralization that the model discusses: to move from forms of advice to forms of control is anarchic and inefficient; it is reform in the wrong direction; it would multiply a hundred thousand fold the points of abrasion of neighborhood against neighborhood, neighborhood against city, against county, against state. It will foment division instead of reconciliation.

What is needed is, in the short run, money for adequate services; in the long run reform of city and county and state government to make government more responsive to the voting citizens.

The "pro" side sums up its arguments for moving toward the kind of decentralization illustrated in the

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model: reform should be pursued, but it will take too long; money should be sought but without institutional change, money will just make the institutions of public services more remote from the very poor. We must push ahead with the pioneering that creative federalism demands:

strengthen advisory mechanisms everywhere; move on into delegations and then on into other forms of limited control wherever this is empirically possible. Some abrasion and some inefficiency will be prices to pay, but continued alienation of the poor from the decision-making process in a free and democratic society will end in only greater violence. The Federal and the State governments can accelerate their efforts to help neighborhood organizations minimize both the abrasion and the inefficiency.

The "pro" side might add: the genie is out of the bottle; urban neighborhood decentralization is coming and the agenda for creative federalism had better prepare to include it near the top.