

*Reverend Harrington.*

"The Public Responsibility and Community Goals"

by

Dr. Edward L. Henry\*

*pp. 6 ff.*

*Case Study  
St. Cloud*

In 1958 one of the country's most distinguished economists wrote in a book that has since become a classic that poverty in this country is no longer a "massive affliction (but) more nearly an afterthought." Most knowledgeable Americans accepted this observation as valid and assumed that the prosperity of the post-war period plus the New Deal Social legislation of the Thirties, had eliminated most poverty in the United States.

How far one believes we have gone in eliminating poverty depends of course on how one defines poverty. I happen to like a definition that Michael Harrington proposed in his book, The Other America.

"There are new definitions (in America) of what man can achieve, of what a human standard of life should be," he said. "Those who suffer levels of life well below those that are possible, even though they live better than medieval knights or Asian peasants, are poor... Poverty should be defined in terms of those who are denied the minimal levels of health, housing, food, and education that our present stage of scientific knowledge specifies for life as it is now lived in the United States."

The important point here is that poverty is a relative concept. One is "poor" in relationship to his neighbors rather than in relationship to his forefathers. Professor Galbraith, of course, was basing his optimistic appraisal of American poverty on the escalating American Gross National Product. This GNP certainly indicates that we are living in an unprecedented era of affluence and abundance which in another few years will reach the trillion dollar level. The growth alone of the U.S. national product the past five years is by itself more than the total annual GNP of the European Economic Community in any one year. (Germany, France, Italy, Netherlands, and Luxembourg).

---

\*Mayor of St. Cloud and Director of Micro-City Studies at St. John's University. 1969 Statehouse Conference on Aging at Bismarck, North Dakota, November 21, 1969.

But to point to the rising GNP tells us nothing about the people who are left behind in this prosperity march. Nor does it tell us much about the qualitative aspects of that GNP nor how it reflects the fulfillment of our moral responsibilities as human beings. It says little about the difference between fulfilling artificial wants generated by slick advertising, and satisfying genuine needs that spring out of the human condition. It tells us little about how we are taking care of the community needs that accompany rising private production such as air and water pollution; automobile fatalities due to our efficiency in producing bigger, faster, and more cars each year; escalating crime due to deterioration of family life, living conditions, and inadequate spending on crime abatement. In the final analysis a truly Great Society will provide more than a great economy, important as that is. "The Great Society," to use former President Johnson's words, "is a place where the city of man serves not only the needs of the body and the demands of commerce, but the desire for beauty and the hunger for community."

One is prompted to ask then why depilatories, deodorants, and laxatives are more important in our hierarchy of values than good parks, wide streets, clean rivers, pure air---and decent housing for human beings? Why do we spend as much for pet food as for food stamp programs; as much for hair dye as for grants to urban mass transit; and more on tobacco than on higher education? Quite obviously there is something wrong in our national hierarchy of values. We have become accustomed to accepting private frills and ignoring public necessities; to satisfying artificially generated wants and conveniently overlooking elemental human needs. We are in many respects as Economist Galbraith has pointed out so eloquently in his book, "enjoying private affluence amidst public poverty."

One reason, of course, is that we still wallow in the wake of our 19<sup>th</sup> century laissez faire heritage and believe that taxes designed to support public spending subtract from living standards. Given this assumption it is not difficult to realize why we have developed a heavy preference for private goods as against public or semi-public ones. When we buy a new home or an extra quart of ice cream we say our standard of living has risen. Yet, if we collectively buy a new park, or swimming pool; better police or fire protection; or an expanded recreation program---it doesn't occur to us that our standard of living may have risen---only that our taxes have gone up; and we have less left with which to buy ice cream. The public official who advocates a new park,

library, or housing project is too often termed a "wastrel" while the private producer who discovers a new way to tickle the consumer appetite is a creative genius, even if it involves planned obsolescence.

There is additional explanation, of course, for this preoccupation with private spending to the detriment of the public sector. A Carleton College economist at the turn of this century in explaining this paradox of private spending amidst public poverty commented that people like to consume conspicuously for purposes of social status. Thorsten Veblen in his Theory of the Leisure Class was really talking about "one-upmanship." Parks, safe streets, clear streams, and public housing do not enhance social status for individuals as compared with a new car or colored television. (This is, of course, largely a cultural fixation for there have been societies, like that of the ancient Greeks, which put a high premium on community facilities---and community action.)

Somewhere along the way we have become so distracted by our phenomenal success in production that we have forgotten it is not an end in itself but a means to help humanize man. The Great Greek philosopher Plato set the pace for the moral values of Western society when in his great classic, The Republic, he reminded us that the purpose of government is to "bring out the best that is in man." There is a moral dimension to our lives as well as a productive one and we are not free, given our own traditions, to ignore conditions that dehumanize people. In our Democratic value structure there is no license to leave some people behind in the humanizing process. President Lincoln didn't say that government is of, by, and for SOME people. He said, in effect, that government should help generate the kind of climate in which all people can become more truly human and less likely animal-like.

Now---how do these semi-philosophical comments bear on the important subject that the Governor has called us together today to discuss---housing?? Housing for human beings. I like to use that complete sentence, "housing for human beings" because it puts the emphasis where it ought to be---not on bricks and mortar; not on private versus public effort; not on the ideological hangups we all have; but on people.

If Nero fiddled while Rome burned, too many of us indulge in hangups while thousands of elderly live out the last little piece of their lives in squalor; while children develop in slum housing physical and psychological scars to carry through later life with them; while parents lose their sense of dignity and self-respect. In a sense this generation is a victim of

abundance---its good intentions have run aground on the shoals of roast beef and apple pie. One of the orphans left waiting at the port of call is decent living quarters for several million Americans out here in rural America.

In the Anglo-American tradition a man's home has been called his castle. With good reason. It is the place where we spend most of our living hours. Birth ushers us into it and we cling to it eagerly and desperately as death loosens our grasp on it. But "home" in Twentieth Century America to millions is not the comfortable, colorful bungalow in the suburb. It is squalor and disease; it is crowding and cold; it is drabness and boredom; it is darkness and despair. We don't need a psychologist to tell us what this does to the psyche of the captives of poverty who exist in these monuments to American neglect. Most of us link this kind of living with Chicago or New York slums. Rubbish! There are virtually as many rural poor as there are urban poor despite the fact that the rural sector accounts for less than 30 percent of our population. Four out of every five urban residents lived in sound homes in 1960 while only a little more than one out of two rural families could claim equally good housing. Approximately 1½ million rural families lived in dilapidated structures and another 3½ million lived in structures needing major repairs. This was in 1960. Conditions have admittedly improved since then, but still one of 13 homes in rural America is officially classified as unfit to live in. The greatest gains have been in the middle and upper income brackets, while the gap between the housing status of the poverty group--- and the more affluent group, has been widening. This is something that GNP watchers don't see. Despite the need and despite our tremendous productive capacity public housing in the United States still represents less than two percent of our total inventory of housing. And our production methods in housing of all kinds is still in the Model-T stage, in contrast to our genius in almost all other fields. It is incredible that this nation knows so much about poverty; has documented it so well; has made so many inventories of misery; but has made so little use of its knowledge in a rational and systematic way. And this is particularly true of the rural poor who are largely the forgotten generation in our war on poverty compared with the urban poor.

The rising GNP does little for these people. Someone has said that particularly the aged who constitute such a large proportion of the poor are "immune to economic growth". With the decline of family responsibility and the rapidly fading concept of "clan", rural poverty in the sixties has qualities

that give it a hardness in the face of affluence heretofore unknown. Some have tried to flee it by migration to our large cities where they join the faceless mass of other migrants desperately seeking a different life that seldom materializes. They seek to escape the cold, hard statistics of the countryside that discriminate against the rural way of life in almost any category you choose to name: whether it be infant mortality which is far higher among the rural poor; or whether it be unemployment which hovers above 15 percent compared with four percent in the nation; which is substantially below average, whether it be in medical and dental care or whether it be in per capita income. And, of particular concern to those of us here in the Upper Midwest is the plight of our Indians three-fourths of whose homes on reservations are below minimum standards of decency. In North Dakota I would suspect most of your rural poor do not live on farms but rather in the open country, in rural villages, and in small towns.

There is no magic formula to rescue these twelve million rural poor. Housing is basic to restore their dignity; to rescue their children; to give solace and to offer a medium of comfort in their declining years to the elderly. But more is needed.

America needs to take a second look at the rural areas. For three generations we have experienced an exodus from them. We have piled up population in a relatively few metropolitan centers in the country. Federal policies to improve human resources and in many cases state policy also has overlooked these rural needy. Until the past few years, for instance, the Nation's major social welfare and labor legislation largely by-passed rural Americans, especially farmers and farmworkers. Farm people, as a matter of fact, were excluded from the Social Security Act until the mid 1950's, twenty years after urban America got the benefits. No wonder the rural poor looked to the large city for salvation---a hope that has in the main not been realized.

We need a national policy designed to give the residents of rural America equality of opportunity with all other citizens. We need a national demographic policy that will halt if not reverse the largest migration in history of rural folk to the large urban centers. We need changes in rural education to bring our schools up to par with urban schools so our children can compete in an urbanizing world. We need rapid expansion of health manpower in small towns. And we need an imaginative and vigorous

effort to create an industrial base in our rural towns and cities to generate jobs for those who prefer the uncluttered way of life in our beckoning countryside. We lament with Horace Greeley, a kind of latter day Orville Freeman of the 19<sup>th</sup> century who wrote in the New York Tribune that "millions of acres... solicit cultivation...yet hundreds of thousands reject this and rush into the cities."

With more open land today than we had at the beginning of the century it may be utopian to hope that our plains will be repopulated by farmers. But a new concept of job creating centers spaced perhaps fifty miles apart that will accept refugees from the congested urban areas and the vanishing farms is not impossible; and can open up new opportunities for some of our rural poor. A nation that can put men on the moon after a ten year effort, should not quail before the prospect of revitalizing our rural areas and upgrading the quality of life for over fifty million Americans who live there.

While the housing part of our rural problems is only a piece of the total picture, it is an important piece. In my little city we have gone through the pangs of trying to provide for our elderly and poor. Every local official in this chamber today knows the difficulty of telling our elderly who tremble in the face of rising property taxes that special exemption from taxes and assessments cannot legally be given them by local government. There are few options open to local public officials to provide a measure of relief to low income homeowners or tenants; especially those who are gradually losing the battle to retain their places of residence as property tax rates begin to exceed that 3% of market value which economists tell us marks the upper tolerable limits of the property tax.

We have faced this problem in our city by vigorous pursuits of state and federal grants and loans to diversify our revenue intake; but also by starting a program of public housing and subsidized rents. Basically we are moving into 1)public housing for the elderly; 2)public housing for the other low income families; 3)decentralized single unit family houses for the low income; and 4)rent supplement multiple units under private ownership.

This is an appealing case which can be made for this strategy. Besides fulfilling the moral obligation I believe we have, there are other bonuses for communities that move on their housing problems. In most cases new housing whether it is high rise or decentralized individual units it is in itself an urban renewal effort that upgrades neighborhoods and nearby commercial areas.

Secondly, it is one of the very few means we have available that can relieve the property tax burden on our low income citizens. Our low income units will rent for approximately \$45 per month, utilities and taxes paid, while the rent supplement units will take no more than one-quarter of the tenant's income, however, small that might be.

This is subsidy, but it is subsidy that is not financed by local property taxes nor carried solely by the local community. What is more the public housing pays the equivalent of nearly ten percent of the rentals in lieu of taxes, while the private, rent supplement units pay regular property taxes. No direct local outlay is involved in building the units---they are federally financed through self-liquidating and subsidized loans. Besides the leverage effect such units give in generating economic activity within the community, we speculate that the "psychological security" such units give the tenants will blunt the tendency of the poor and the elderly to vote against local civic improvements that every community must make if it is to upgrade the quality of its services and become attractive location sites for new industry. Likewise, we feel that provision of decent quarters including privacy for study and the psychological security it engenders will upgrade the performance capability of children in low income families. It gives them a better start in life, improves their learning abilities, and reduces psychological effects of the poverty syndrome. In short, aside from the moral aspects to which I have already alluded and which are central, there are positive benefits to a community which launches one of the many federal programs to provide housing for human beings whether it comes by way of private enterprise or government ownership.

However, I have been in public life long enough to know there is no solution for any of our problems that is a pure and unmixed blessing. Nor do I believe that the ultimate has been reached in any federal or state housing program.

Perhaps a quick review of the problems we have encountered in my little city of 40,000 will illustrate to those of you who have not yet undertaken a housing program some of the vexations that can arise. Shortly after my election in April of 1964 I started the wheels turning to establish a Housing and Urban Renewal Authority. After much discussion by the Council it was finally approved after an impasse created by the insistence of some councilmen that they okay in advance any nominations I desired to make. (St. Cloud is

a strong mayor-council form of government and it occasioned the first clash with my legislative body in my term of office. I should say not the last. My friends like to tell the story that in 1966 after I had been in the hospital for several weeks with pneumonia that the Council passed a resolution wishing me a speedy recovery---by a 4-3 vote---after prolonged debate. (It didn't really happen.)

After almost a year of planning it developed that a similar housing authority established before my time in 1949 had never been legally established and that the present Housing Authority, therefore, had never really enjoyed legal existence. There followed six months of trying to find a way to dis-establish the old body including an attorney general's opinion about the matter. Then we had to reappoint the entire body. By this time the Authority was ready for a Housing Director and the search began. Experienced men are not easily found. When we combined our urban renewal with public housing we were talking a twenty million dollar package over a period of fifteen years. One does not hire a fresh college graduate for that kind of responsibility.

In the meantime we had to start educating the community and defuse many rumors including fear by the Council that their powers would be usurped by the Housing Authority. In Minnesota it is a semi-independent public corporation. Ideological scruples also threatened to trip us from time to time. Frustrating delays, trips to Chicago and Washington finally brought our initial urban renewal grant. Then there was considerable vacillation about the specific federal program we would select to build housing. In the meantime various of the federal housing programs---turnkey for instance, waxed and waned in the favor of Federal administrators inspecting further anxieties and delays.

Finally, two spots for high rise apartments, one for the low income elderly, one for general low income families, were selected, both a half block off our main street though separated from each other by several blocks. The prime site turned out to be an ancient, small city park on the river bank between a veterans clubhouse and the railroad. This aroused considerable consternation regarding the possibilities of noise and traffic. In addition, the veterans' group raised Cain because they thought it might inhibit nighttime activities. Rightly or wrongly the site was approved after exhaustive consideration of what the elderly like and don't like in the way of distractions. The park and recreation lobby had to be convinced then that the total park facilities would not suffer.

It isn't easy to convince established homeowners that not only their new neighbors are subsidized but almost every American in one way or another gets some kind of "handout" from Washington; that indeed, even most existing homeowners had received or were currently receiving a housing subsidy of some kind if they purchased their homes with FHA or GI guaranteed loans; and, in addition, were taking a tax deduction on the mortgage interest in their income taxes. Self-righteousness often springs out of poor factual information, doesn't it?

The community has by now accepted the intrusion of individual housing units for low income people in neighborhoods about the City. We think the program is a success. It avoids one of the problems involved in developing multiples of such units in one location, namely, the easy identification of these units as low income complexes creating a modified sense of ghetto. The total accounting is not in yet, but my own judgment is that I would do it over again despite the headaches. In my opinion this particular program is one of the best ways to integrate low income housing into the community giving the inhabitants ultimately as normal a mode of existence as is possible; I don't know whether our projects represent a comedy of errors, or just normal headaches---I suspect the latter is more nearly true.

A pitfall most of us fall into is in believing that the problems of providing for the needs of low income tenants cease when the cornerstone is laid. These are human beings whose low incomes sometimes reflect other problems. Social services---counseling and organized recreation---should accompany such projects to take care of the other needs that characterize human beings. The strategy involved in helping these people has to be a grand strategy; a strategy that involves other community agencies besides the Housing Authority. In this respect the Housing Programs have been less successful than in creating more living space---for the adjustment of these people requires imaginative programs. To abandon them once they are inside may well risk the success of the project.

I know many of you in this audience can relate similar stories to this one. But good things are worth working for. This nation has no excuse either on moral, pragmatic, economic or technical grounds to have a forgotten people in our midst. It is time we reorder our national priorities in the use of our unbelievable wealth-creating ability. It is time we implement the implications of our democratic and Christian political

heritage regarding the dignity of human beings. And in that pursuit housing is a basic and concrete starting point. Let us hope that this session at the Site of government in North Dakota today will open the eyes and hearts of more citizens of this wonderful state. One of the real tragedies in the life of all of us is in not seeing the good that is possible and trying to achieve it. Perhaps we should ask as the late Robert Kennedy asked: "others see things as they are and ask "why?" I see things as they could be and ask "why not?"