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to Vietnam at the request of the legitimate government of that country, which asked for help in combating the Communist infiltration from the North.

(If the United States at that time had anticipated the cost in time and blood which has resulted, they might not have responded to the request. But that is another story.)

Nothing suggests that the Americans have different intentions in Vietnam following the conclusion of that war, than what they did following the Korean war, or in Japan following the second World War. Besides, it must not be forgotten that the United States is not the only white power fighting in Vietnam.

#### OTHER ALLIES IN VIETNAM

Australia and New Zealand both have contingents of their armed forces actively engaged there, and neither of these two powers can reasonably be accused of imperialistic intentions. Both share the American apprehension that all of Southeast Asia could become submerged under Communist dictatorship and tyranny.

In the spring of 1947, all of Europe was on the verge of physical and psychological collapse. Industrial production in Germany was down to 27% of the prewar level. The situation in Austria, Italy and Greece was not much better. Our native Norway had lost almost 50% of its merchant marine, while industrial production was down to about 40% of the level before the war. Even worse was the feeling of desperate hopelessness, which had affected large segments of the people on our continent.

With the wartime hate and bitterness still vividly in mind, the people of Europe had no comprehension of the great possibilities for Europe inherent in united efforts and mutual understanding. One did not seem to realize that the high import duties, and the barriers at all national boundaries, were in fact the principal obstacle to technological developments, and the expansion of commercial markets.

Against this background of hopelessness, hunger and misery, one must look at the Marshall Plan. On June 5, 1947, the then secretary of state, Gen. Marshall, gave his famous speech at Harvard University. In this speech he offered to all the countries of Europe the financial and material assistance of the United States to rebuild the productive capacity of our continent. As far as is known, this is the first time that a responsible statesman anywhere expounded the idea of Europe as a whole economic entity.

The Marshall Plan was greeted with enthusiasm in Western Europe, but was rejected by the Soviet Union. The objective of the Kremlin, then as now, is a Communist world order, not the reestablishment of a free economy.

#### KEY PSYCHOLOGICAL EFFECT

The Marshall Plan became an outstanding success, the effect being a "psychological blood transfusion," in the words of Paul Hoffman, head of the American organization. The psychological effect was actually the most important. The Europeans did have the technological know-how, the willingness to work, the marketing organizations, and an enormous demand for all kinds of goods. What they lacked was financial resources to exploit their own abilities and the possibilities offered.

America gave them the needed financial resources, and thereby new hope and faith in the future. Reconstruction and rehabilitation now took place at an almost explosive rate. In 1947, the total industrial production in these countries was still only 85% of the prewar level. Four years later this had increased to 136% of prewar, and it has steadily increased ever since.

It was a whole continent—our own—which at that time was rescued from despair and

worse, through the magnanimous help of one single nation.

We Europeans often accuse the Americans of only being interested in money and material things. They have, we say, no real culture. It could of course be mentioned that during the 20 years 1946-1965, the United States had 51 Nobel prize winners while the Soviets had nine, and China two.

It could also be pointed out that the United States since 1948 has financed 74% of the cost of aid to the refugees displaced by wars. This, while the population of the United States constitutes only 6% of the world's population, while Soviet Russia has 7%, and China 22%.

What would we have done without the U.S.A.?

#### THE NEW LOOK OF THE FEDERAL HOUSING ADMINISTRATION

Mr. MONDALE. Mr. President, there has been a recent rash of criticism against the Federal Housing Administration. These critics claim that the FHA is unable to administer effectively housing programs geared to the center city and the lower income families. There have been accusations that the leadership of the FHA is really not interested in the implementation of these programs and that the Agency is too committed to the middle class and the suburbs to understand the plight of the inner city.

I do not feel that these charges are wholly true. The FHA and the Administration have made vast improvements in the past year to change the Agency into a responsive, dynamic tool for urban development. The Federal Housing Administration is now holding a conference in which the local office directors and chief underwriters are participating. Phil Brownstein, Commissioner of the FHA, delivered an address to this group on Monday in which he outlines the improvements that have been made in the past few months. He cites: the advancements in rehabilitation sponsored by the FHA, the accelerated processing time in multifamily unit applications for insurance, and the successful implementation of the rent supplement program. These are just a few examples that serve as evidence that the FHA can turn its talents to the center city and to providing additional housing units for the low and moderate income families.

More important than these advancements, however, is the sense of direction that Commissioner Brownstein mentions. He states:

The principle reason for the existence of the FHA in 1967 is to enlist and encourage private enterprise to play a leading role in providing decent housing for families of low and moderate income, and in providing housing and related human conditions in the inner city—especially in the slums and blighted portions of the inner city.

This is a firm refutation to those who claim that there is no interest in the center city on the part of the FHA. It is a clear mandate to the local employees to get busy in the cities and it is a commitment at the national level to back up local personnel when they take the additional risks involved with providing more and better housing in the cities.

Commissioner Brownstein gives an honest appraisal of the problems that the

FHA presently confronts. He is the first to admit that there are delays in processing time within the FHA. However, he calls for a dynamic approach on the part of the local FHA people to eliminate the "negativism and the torturous slowness of our processing of multifamily applications." In addition, Commissioner Brownstein indicates that the FHA can no longer react to applications, but rather it must go out and seek applications involving the inner city, rehabilitation, below market interest rate programs, and rent supplement programs.

Mr. President, I feel that Commissioner Brownstein has given his personnel the mandate to involve themselves with the needs of the inner city and the poor urban family. I ask unanimous consent that his remarks to the Directors Conference, entitled "FHA's Job Today," be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

#### FHA'S JOB TODAY

(Remarks of P. N. Brownstein Assistant Secretary-Commissioner, at Directors' Conference, October 23, 1967)

We meet at a critical moment in the history of our country, and at an equally critical time in the life of FHA.

The trouble in our cities—the riots, looting and sniper fire; the dramatic disparity between the living conditions of the poor and discriminated against and the material affluence of middle class America; the crimes and the lawlessness—all these things have revealed with chilling clarity the enormous and explosive problems that ferment in the slums and ghettos of our cities.

This country is fighting a guerrilla war in far off Viet Nam. Something similar and equally deadly is threatened in our cities—and in too many places it actually has happened. Few people doubt that, unless major measures are taken, the trouble in our cities can prove to be as great a threat to our national security as the fighting in Viet Nam.

This, I am sure, is not news to you. You have only to open any newspaper, or any magazine, to confirm all that I have said, and much more that I have not said.

Responsible people throughout the country are groping for a better understanding of the causes of these ominous outbursts of urban violence. But no thoughtful person seriously believes there is any instant answer, any easy panacea. Because the causes are deep-seated and have developed over time, the solutions must be basic ones which remove the sources of discontent, deprivation, and despair. Perhaps we can identify the long term solutions best by asking ourselves what much of the protest is about. People want recognition, opportunity and hope, people want status and dignity. They want to join the mainstream of American society. They want to participate in its unparalleled abundance. They want an end to the discrimination that has denied them these things. In particular, they want better education, better jobs, and better housing. They want a chance. They want to know they have a chance. They want evidence that the nation cares and is willing to make this chance available. America must begin to respond to these needs quickly and visibly.

By now you may be wondering if this is not a rather strange introduction for a kick-off speech of a HUD Assistant Secretary in charge of FHA operations to a Washington meeting of FHA Directors and Chief Underwriters. If those questions are running through your mind, it's a good thing you came to this meeting. Because I am going to tell you how these grave matters relate di-

rectly to you and your jobs. The reason is as simple as it is fundamental.

As the unit of the Department of Housing and Urban Development with principal responsibility for administering private housing programs, it is our job to enlist and encourage private enterprise to play a leading role in providing decent housing for families of low- and moderate-income, and in improving housing and related human conditions in the inner city—especially in the slums and blighted portions of the inner city. This is one of the principal reasons the Department was created; it is one of the major objectives the Secretary has announced again and again. It is what the American people, the Congress and the President expect of us. It is the greatest and most urgent responsibility of FHA—its principal reason for existence in the year of 1967.

You may be thinking that this is a new and strange job for FHA. It is new; but it is not strange. Every government organization must use its programs to deal with today's problems. Every organization must change as the needs of the country change. It will do us no good to look wistfully back at the days when FHA's principal role, and its proudest achievement, was the establishment of the long term, low downpayment mortgage as a revolutionary device for increasing the number of Americans who could afford a good house in the suburbs, or a decent apartment. As an organization, we have a right to reflect with pride on this great accomplishment. But we must also recognize that we have done this job so well that FHA insured mortgages now are needed and used for only a tiny portion of suburban new construction.

It will do no good to look wistfully back to the 1940's and early 1950's when FHA's principal job was to help provide housing for war workers and, later to provide privately built dwelling units in great abundance for returning servicemen and to overcome the critical post-war housing shortage. This job, too, has been done, with considerable distinction if not without controversy.

In the face of today's urgent, high priority job of enlisting private enterprise to provide housing for low- and moderate-income families, and to rebuild and restore inner city slums and blighted areas, the only justification we have for looking backward is to regain the organizational drive, dedication, sense of urgency, and speed of action for which FHA was noted in those earlier times. The job we are entrusted with today will require every ounce of energy, every pound of thrust, every spark of evangelism that we brought to those earlier accomplishments—and more besides. In today's urgent job we cannot afford to fail.

I suppose it has come to your attention that there are some who say FHA cannot do this new job. There are those who believe FHA is too wedded to the split level house for middle class residents of suburban subdivision to be interested in, or capable of, mounting a massive effort to help private enterprise house families of low- and moderate-income. It is also believed that FHA has no interest in the inner city—that we, like most private lenders, redline large segments of the central city—where the housing needs are greatest and the problems most pressing. There are others who say that FHA has lost its drive, that it is too cautious and too bogged down in inflexible rules, immovable procedures and tortuous red tape to mobilize itself and private enterprise to do the job which must be done. All of these things and more have been said, not merely by disappointed builders whose projects were rejected, but by people of deep sincerity—responsible people. There are people today who are urging that this job be taken away from FHA and be given to a new organization in the department or somewhere else.

I do not agree with these sentiments, and I will tell you why.

First, FHA personnel have the skills to do the job that must be done. We have the experience, and the organization, already in being, it would take time and be difficult to create a substitute of the same size and competence. All we need is the will.

Second, contrary to the myths which still abound, FHA has already gone some distance in the direction of turning its programs and its talents to the inner city and to providing housing for low- and moderate-income families. It is not generally recognized, but over 51 percent of FHA's business for existing homes under Section 203 was in the central city, and 20 percent in what could be described as blighted area. Over 67 percent of our 221(d)(2) existing home business was in the inner city.

Also, FHA has shown that it can and will work with profit and nonprofit sponsors to produce 221(d)(3) BMIR housing. In a year and a half, FHA launched a brand new, and quite difficult rent supplement program. All available funds have been allocated and many more rent supplement proposals are in the pipeline awaiting more contract authority from the congress.

In recent years, FHA has done more pioneering in residential rehabilitation in blighted and slum areas than has ever before been attempted by anyone.

I do not think these are the actions of an organization without heart, without drive, and without interest in the housing problems of low and moderate income families.

Third, I have faith that FHA, as an organization, can make the additional changes in attitude and action needed to accelerate the job we have already begun.

To some extent, our problem is to make our public image catch up with our actions. The only way to counter bad and unfair publicity, is to let people and newspapers know the facts. This we intend to do, but it can only be done by your support and actions.

I want you to send in immediately any newspaper story that is critical of FHA, or distorts the facts. We want to know about these things immediately, not receive them routinely several weeks later.

Also, if a critical problem develops in your jurisdiction, I want to know about it immediately by telephone. Far too often we have learned about this kind of problem by reading about it in the newspaper when it is too late to counter the unfavorable impression it creates.

But the problem is not entirely that we are misunderstood. While we have done much more than we receive credit for, we are still not doing enough, and we are not doing it fast enough.

Here are the things that must be done. Here are FHA's goals for 1967 and the years ahead. Here are the things we should measure our actions against. Here are the things against which we will be judged.

1) Everyone of our employees, from the director down to the receptionist and secretaries, must understand that our job is to serve the public. This we must do positively, cheerfully, and courteously, our job is not to make it hard and frustrating for people to deal with us, but to make it easy, pleasant and rewarding. I am not saying you should say yes to everybody. I am saying that whatever you say should be said courteously and quickly.

2) We must do all that we can to be sure that everyone of our programs is administered in a way which assures there is truly nondiscrimination and that equal opportunity is a reality. This means that every allegation of discriminatory practices must be dealt with speedily and affirmatively. We cannot and will not condone a practice or pattern of different treatment for persons seeking to take advantage of our program.

The housing counseling service, which now is in effect in 15 cities, and will continue to be expanded, affords an excellent tool for helping us make certain that all prospective buyers or renters are given equal treatment. But to take advantage of this resource, we must emphasize to those being counseled the importance of reporting back on the results of their visits. This I know will be the subject of detailed discussion during this conference.

In the sale or rental of our acquired properties it is critical that we maintain policies and practices which assure equal opportunity. And all brokers, sales agents, management firms as well as our own personnel cannot have the slightest doubt about our position and must follow it to letter. There simply is no way and it is your job to see that this policy is carried out in clear, unequivocal and positive terms. And the same holds true in assuring equal employment opportunity and your responsibility to see that this is affirmatively achieved.

3. We have to recognize that stimulating a flow of mortgage funds into the inner city, yes even into the slums, for the transfer of houses, for rehabilitation, and for new construction, is an FHA mission of the highest priority. No longer can we afford to wait until an applicant comes in and bludgeons us into this kind of activity.

I want you to go looking for applications. I want you to take the leadership in seeing that FHA programs are used to accomplish these priority objectives. I want you to know that applications involving the inner city, rehabilitation, BMIR and rent supplements are the first things your staff should work on, not the last.

We have developed a new manual for processing multifamily rehabilitation projects which you'll hear more about later. This manual, which contains some far reaching policy and procedural shifts, is designed to make it possible for you to process and promote sound rehabilitation projects in your jurisdictions, both in and out of urban renewal areas.

You will also hear more discussion of my recent field letter eliminating the requirement for a finding of economic soundness in riot or riot-prone areas of the city. This has the effect of making our programs available everywhere in the city.

I am speaking now of priorities. I do not mean that we do not have a responsibility to continue to administer effectively all of the programs the Congress has given us. For we also have a responsibility for increasing the general supply of housing. This will support and reinforce our efforts to help those of low- and moderate-income. Also, a good project for low- and moderate-income families located in the suburbs can be a significant achievement in broadening housing choices.

4. There is another important, yes indispensable, thing we must do. "We must eliminate the negativism, and the tortuous slowness of our processing of multifamily applications. This is our real achilles heel—and it has got to go.

It is not easy to counter the charges against FHA when you are confronted as often as I am with case after case in which we took an inexcusably long time to reach a decision. I know there are frequently mitigating circumstances.

But these are never very convincing when you are trying to explain long delays.

Extensive massaging of these applications won't make you any righter when you finally have to make a decision. What it will do is make everybody mad, give them good grounds for criticising us, and incidentally, perhaps lose the market for which the project was initially intended. When I look at our loss record on many of our multifamily programs, I am even more baffled to under-

stand why we take so much time. The record does not show that our long and profound agonizing over multifamily proposals has improved our judgment.

You will hear more about what has been done and what will be done to wipe the cobwebs off our multifamily processing, particularly for BMIR, rent supplement, and 220 projects. But procedures and processes are not the vital ingredient. The vital ingredient is a will and determination to get the job done quickly—a true sense of urgency—a willingness to establish deadlines and to meet them—a continuous pressure from the director to bring things to a head or know why. It is, I think, basically an administrative and leadership problem.

We intend to do our part, to establish deadlines, to keep the pressure on to get decisions made quickly. For this, I am looking to the Assistant Commissioner for Operations, the Regional Administrators, and to the Regional Operations Commissioners.

But the final responsibility for leadership, in each individual office, rests with YOU, the directors and their chief underwriters, and the assistant regional administrators for FHA.

5. We must be willing to take the risks necessary to accomplish the urgent job of assisting and encouraging private enterprise to house low- and moderate-income families, and to revive the inner city. It is highly likely that there are more risks inherent in achieving this kind of urgent social purpose, than in the insurance of loans on suburban subdivision.

There has been an attitude on the part of some, that FHA's principal job is to avoid making mistakes, and to preserve the sanctity of its insurance reserves. And it is indeed important that holders of FHA-insured mortgages know their investments are safe.

I take the view that risks are inherent in an insurance program (otherwise there would be no justification or need for insurance); that since the vast majority of the Congress as well as the executive branch expect us to carry out the mission, then they must expect us willingly to take the risks inherent in such a mission.

This does not by any means require the elimination of prudence and common sense. So long as we have a public responsibility, we can never do that. It does mean that we should be prepared to take the risks that are justified and prudent in the light of the urgent social objectives to be achieved.

Since nobody has ever invested extensively in reviving and rebuilding the inner city and since there has been little private experience in providing housing for low- and moderate-income families, I do not believe anyone is prepared to say exactly how much risk is involved.

In the long run, if all our efforts are successful, the risks may be far less than some anticipate.

I want us to develop and support projects which give reasonable promise of success, which give reasonable promise of improving the housing conditions of low- and moderate-income families, and improving the inner city.

A project should be rejected if it does not appear to give reasonable promise of accomplishing these objectives. It should not be rejected simply because it involves poor people, or because it is in a portion of the city you have been accustomed to rejecting or red-lining for old-fashioned, arbitrary reasons.

If you apply this standard to each project you approve, I believe no one can fault you. If you apply this standard to each project you approve, you will be fully backed by me and have the full support of the Department.

Let me repeat and summarize, I am asking you and every employee of FHA to enter into a new crusade—to see that our programs are

used to the fullest extent possible to improve housing conditions for low- and moderate-income families and to revive the inner city.

This means making our home programs available for the purchase, sale and improvement of properties throughout the inner city. It means encouraging rehabilitation and new construction in the inner city. It means developing good BMIR and rent supplement project both in the inner city and in outlying areas, for we have to disperse the poor and discriminated against to all parts of this city as well as improve their housing conditions in the inner city where most of them now live.

To be successful in this vital undertaking everyone should carry away from here (and transmit to everyone working under you) a new commitment to this objective, a sense of urgency which recognizes the importance of the job before us, and a determination to take the steps, reach decisions, and make the sacrifices necessary. I want you to put the highest possible priority on promoting the use of our various programs which can contribute to this objective.

I want you in the multifamily area, to slash through red tape, indecision, and pussy-footing, to set rigid time goals and see that they are met—in exactly the same way that, in the past few years, we have performed a miraculous speed-up in the processing of home mortgage applications, I want you to be prudent as well as urgent, but I want you to be prepared to take the risks necessary to accomplish the job and to know that you will be fully supported in the decisions you make.

The job I am asking you to undertake is one of the most urgent the nation faces. The President knows it, the Secretary knows it, most Members of the Congress know it, private businessmen know it. In the months ahead, all these eyes will be watching us.

I believe we are capable of doing the job, or I wouldn't be saying these things to you. But let us keep one thing in mind.

Just as sure as you are sitting here today, if FHA fails to respond effectively and affirmatively to this challenge, if FHA fails to produce the results needed, then no longer will FHA be looked at as our nation's housing agency and the need and justification for its continuation may very well be the central theme. Undoubtedly alternative organizations will be developed because the need is too great and too critical to leave a void.

I have given a number of reasons why I believe FHA must mount a major effort to accelerate and expand use of those of our programs which can serve families of low- and moderate-income and revive and rebuild the inner city. Let me give you one more reason. You should work at this task as though your job depended on it—because it may!

#### SAD 22D ANNIVERSARY FOR UNITED NATIONS BECAUSE OF SENATE WALKOUT ON HUMAN RIGHTS

Mr. PROXMIRE. Mr. President, this week marks the 22d anniversary of the founding of the United Nations.

Every American President in office since 1945 has unequivocally affirmed his belief that the United Nations is indispensable to this Nation's dedicated efforts to achieve a world based upon freedom and maintained in peace.

Ambassador Arthur Goldberg probably spoke for most thoughtful American citizens recently when he said:

The United Nations, that great center for harmonizing the action of nations, has served the world community through twenty-two turbulent years. Admidst the troubles and dangers that still prevail, we pause to

pledge anew our dedication to the United Nations' great aims of peace.

The United Nations was founded not in the belief that it would guarantee permanent freedom from conflict and disagreement, but in the belief that the basic hopes of man are for peace rather than war, for rule of law rather than rule by violence, and for economic and social progress rather than disorder and stagnation.

In working toward these goals, the United Nations will not always succeed. When its members are not sufficiently faithful to its purposes, it may fall. But as long as cooperation and mutual tolerance are essential to our survival, its members will have no choice but to try again.

Today the whole world is looking toward the United Nations for its help in resolving the two great conflicts which confront us: Vietnam and the Middle East. The very fact that after only 22 years of life the United Nations is looked to for answers and guidance is, itself, a high tribute to this world organization.

The United Nations has been neither an unqualified success nor a tragic failure. In 22 years, the U.N. has had both great moments and severe setbacks.

But the U.S. Senate, which ratified the U.N. Charter by a vote of 89 to 2 in 1945, has dealt the United Nations one of the unkindest cuts of all.

After 22 years the Senate has failed to ratify a single human rights convention. The Human Rights Conventions on Forced Labor, Freedom of Association, Genocide, Political Rights of Women, and Slavery are still largely ignored and unnoticed by us.

Let the Senate make the 22d anniversary of the United Nations a cause for real celebration by giving its advice and consent to all the human rights conventions during the first session of the 90th Congress.

#### TAX CREDITS FOR TRAINING WORKERS

Mr. HARTKE. Mr. President, on September 19 I introduced S. 2429, the "human investment tax credit" bill whose intent is to spur the efforts of the private sector of industry in training or upgrading skills in on-the-job training.

An editorial in the Indianapolis Star commented editorially on that proposal as a commendable approach to a difficult problem. I ask unanimous consent that the editorial, "Toward More Job Training," from the September 26 issue of the Star, may appear in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### TOWARD MORE JOB TRAINING

One of the better ways to accomplish the training or retraining of workers is to get it done by private industry, partly or wholly on the job. We hope Congress will take a thoughtful and receptive look at a proposal to encourage industry to do this.

Introduced by Senator R. Vance Hartke (D-Ind.), the measure would provide tax credits to an employer for a portion of the cost of on-the-job training of persons previously unemployed or being upgraded to higher skills. This is a beginning on a sound approach to the needs for job training both to reduce problem areas of unemployment and to help low-skilled workers to advance themselves.