

HEARING  
BEFORE THE  
UNITED STATES  
COMMISSION ON CIVIL RIGHTS

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HEARING HELD  
IN  
ST. LOUIS, MISSOURI  
January 14-17, 1970

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*Members of the Commission*

THE REVEREND THEODORE M. HESBURGH, C.S.C., *Chairman*

STEPHEN HORN, *Vice Chairman*

FRANKIE M. FREEMAN

MAURICE B. MITCHELL

ROBERT S. RANKIN

MANUEL RUIZ, JR.

HOWARD A. GLICKSTEIN, *Staff Director*

LAWRENCE B. GLICK, *Acting General Counsel*

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UNITED STATES COMMISSION  
ON CIVIL RIGHTS

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WEDNESDAY, JANUARY 14, 1970

The U.S. Commission on Civil Rights met at 1 p.m. in the National Personnel Records Center, 9700 Page Boulevard, St. Louis, Missouri, Rev. Theodore M. Hesburgh, C.S.C., Chairman of the Commission, presiding.

PRESENT: Rev. Theodore M. Hesburgh, C.S.C., Chairman; Stephen Horn, Vice Chairman; Frankie M. Freeman, Commissioner; Robert S. Rankin, Commissioner. Also present: Howard A. Glickstein, Staff Director; Lawrence B. Glick, Acting General Counsel.

PROCEEDINGS

CHAIRMAN HESBURGH. The hearing of the United States Commission on Civil Rights will please come to order.

First order of business is the swearing in of the Clerk. Would the Clerk please stand.

(Whereupon, Mrs. Hedy Harris was sworn in as Clerk.)

CHAIRMAN HESBURGH. Mr. Monick?

(Whereupon, Robert J. Monick was sworn in as Reporter.)

CHAIRMAN HESBURGH. Ladies and gentlemen, I am Theodore M. Hesburgh of South Bend, Indiana, Chairman of the Commission. I wish to welcome you to this hearing and introduce you to the other members of the Commission, our Staff Director, our Acting General Counsel, and our Assistant General Counsel.

To my far right is Dr. Robert S. Rankin of Durham, North Carolina, Professor Emeritus of Political Science at Duke University. Then Mrs. Frankie Muse Freeman of St. Louis, General Counsel of the St. Louis Housing Authority. Immediately to my left is Dr. Stephen Horn, Vice Chairman of the Commission and Dean of Graduate Studies and Research at American University. Next to him is Mr. Howard A. Glickstein, Staff Director of the Commission, Lawrence B. Glick, Acting General Counsel, and George Bradley, Assistant General Counsel.

Two Commissioners will not be present at this session but will join us at subsequent sessions. They are Manuel Ruiz, Jr., Attorney at Los Angeles, and Dr. Maurice B. Mitchell, Chancellor of the University of Denver.

The choice of the site for this hearing, the National Records Center, was not by chance. Situated as it is in St. Louis County, but physically close to the city, this auditorium offers an appropriate setting in which to have this hearing that will touch on both the city and county.

The staff of the Center, and particularly Mr. Joseph Wertzberger, Center Manager, and Mr. Alfred Petroski, Chief Executive, Disposal Branch, are to be commended and are commended by us for their many helpful suggestions, their invaluable assistance and for the complete and unstinting cooperation they have given the staff of the Commission in making all the necessary arrangements for this meeting.

We wish also to thank the Federal, State, and local officials and the many private citizens and organizations who have cooperated with and assisted the staff of the Commission during the preparatory stages of this hearing.

The hearing is being held under the authority of the Civil Rights Act of 1957, as amended. As required by law, notice of this hearing was published in the Federal Register on December 13, 1969. A copy of this notice will be introduced into the record as Exhibit Number 1.

So ordered.

(Whereupon, the document referred to was marked Exhibit No. 1 and received in evidence.)

CHAIRMAN HESBURGH. The Commission on Civil Rights is an independent, bipartisan agency of the United States Government established by Congress in 1957. Its duties are as follows:

1. To investigate sworn allegations that citizens are being deprived of their right to vote by reason of their race, color, religion or national origin.
2. To study and collect information regarding legal developments which constitute a denial of equal protection of the laws under the Constitution in such fields as voting, education, housing, employment, the use of public facilities, transportation, and in the administration of justice.
3. To appraise Federal laws and policies with respect to the equal protection of the laws.
4. To serve as a national clearinghouse for information with respect to denials of equal protection of the laws because of race, color, religion, or national origin; and finally,
5. To investigate sworn allegations of vote fraud in Federal elections.

Under the law, the Commission is required to submit reports to the President and to the Congress which contain its findings and recommendations for corrective legislation or executive action. To enable the Commission to fulfill its duties the Congress has em-



powered the Commission to hold hearings and issue subpoenas for the attendance of witnesses and the production of documents.

Perhaps I can best explain the functions and limitations of this Commission by quoting from a decision of the United States Supreme Court early in the Commission's history:

This Commission does not adjudicate; it does not hold trials or determine anyone's civil or criminal liability. It does not issue orders. Nor does it indict, punish, or impose legal sanctions. It does not make determinations depriving anyone of life, liberty or property. In short, the Commission does not and cannot take any affirmative action which will affect an individual's legal rights. The only purpose of its existence is to find facts which may be subsequently used as the basis for legal or executive action.

In carrying out its legislative mandate, the Commission has made detailed studies in the fields of voting, public education, housing, employment, and the administration of justice. To augment our studies in these areas, we have held hearings in Alabama, Arizona, California, the District of Columbia, Georgia, Illinois, Indiana, Louisiana, Michigan, Mississippi, Ohio, New Jersey, New York, Tennessee, and Texas.

The United States Commission on Civil Rights has not deliberately sought controversy, but neither has it retreated from the unpopular. Calmly and dispassionately it has gathered the facts and then after careful consideration made its pronouncements. Much of the civil rights legislation enacted over the past 9 years, several Presidential orders, and administrative decisions of some of the Federal departments reflect acceptance of findings and recommendations resulting from Commission studies and reports.

The last visit of the Commission to the Midwest was in 1966 and the place was Cleveland, Ohio. There we examined an entirely different set of problems than those which we will examine here in St. Louis County during the next 2½ days. And yet there is a link between these hearings, as there are between all Commission hearings, for what we seek is knowledge on which to base suggestions for change.

The purpose of our return to the Midwest is to collect information on the racial implications of suburban development as they relate to housing and employment for members of minority groups. In the fifties and sixties our suburbs have sprouted like mushrooms after a summer rain, while our cities have wilted in the dryness of neglect. Most white Americans have been free to leave the concrete city for what they regard as a better life in the open spaces of the suburbs, but the poor, and primarily the black poor, have been trapped behind the invisible wall that divides city from suburb. The movement has been not only of people but of jobs as well, and this twin tide of outmigration has tended to push us further toward the tragedy of two separate societies, one white and comfortable and one black and poor.

The situation in the St. Louis metropolitan area is not unique. There are many other metropolitan areas in the country that could

have gone through similar periods of rapid suburbanization that have virtually excluded blacks from equitable participation in the benefits growing out of such moves. As the opportunities for housing and jobs grow in the suburbs they decline in the city and unless the barriers to those areas are overcome, the advancements we have made on the civil rights front will have little meaning.

At this hearing, as at other hearings, the Commission will seek to explore in one city or one locale the civil rights problems that are representative of problems elsewhere. I would like to emphasize that no hearing by the Commission is an attempt to embarrass any one State, city, or individual.

This hearing is part of a national study of the Commission, a study which we are beginning in order to collect information on this very important subject, important not only for members of minority groups but for the Nation as a whole. It is the culmination of several months of intensive work on the part of Commission staff members who have conducted field investigations in the St. Louis area and have talked to hundreds of individuals representing all segments of the communities they have visited. The work of the staff has been reviewed by the Commission and the Commission and staff have given careful consideration in determining which witnesses to subpoena to testify.

Time will not permit us to hear every person the staff has interviewed nor every person who will want to share his knowledge or experience with the Commission. For those individuals who have not been subpoenaed and who may want to submit a relevant statement for the record, we will be happy to make arrangements to have them interviewed by one of our attorneys or they may file any statements or documents they may wish to do.

The history of the Commission has been that it has always been scrupulously honest and objective in all its presentations despite the emotion inherent in the areas in which we operate. The same will hold true for this hearing. Federal law affords protection to all witnesses subpoenaed to appear before the Commission.

While securing information is a major purpose of the Commission hearings, they frequently have had an important collateral effect. In many cases, in fact in most cases, the Commission's hearings have stimulated discussion and increased understanding of civil rights problems among responsible community leaders and have encouraged the correcting of injustice at the State and local levels. It is our hope that this hearing will serve this creative purpose.

The testimony we will hear during the next 2½ days will deal with the subjects of employment opportunities for Negroes in suburbia, with federally financed job training programs, suburban housing, Federal enforcement of equal opportunity, government planning for housing at the Federal and local levels, and urban renewal.

This hearing opens on the eve of observances in many of our cities to mark the birthday of a man whose wisdom and leadership inspired mankind. Almost 2 years have passed since the death of Dr. Martin Luther King but his spirit still resides in the hearts of many men, driving them on to seek the goals he saw so clearly from his mountain top.

We cannot hope through this hearing to make real all of his dreams, but we can search for answers to some of the problems that were of concern to him and remain of concern to millions of his fellow Americans. Our sincere efforts in this direction will honor not only this man but our own beliefs in a just society.

Today's session will end after the reading of the rules by Mrs. Freeman. The Commission will then go into executive session in accordance with the statute governing Commission hearings which provide for such a session, closed to the public, during which persons who may be defamed, degraded, or incriminated by testimony to be given at the public sessions will have an opportunity to be heard.

The public sessions will resume at 12 noon, tomorrow, January 15. There will be a 5 to 7 p.m. recess for dinner and the session will then resume tomorrow and end at 10:30 p.m. Testimony at the Thursday hearing will deal with employment opportunities for black persons in suburbia.

We will convene again at 9:30 a.m. on Friday, January 16. Lunch will be from 12:10 until 1 p.m. and the session will close at 6:25 p.m. Testimony on Friday will concern housing in suburbia. The Saturday session will begin at 9 a.m. with a 12 noon to 12:30 recess for lunch. We will conclude the hearing at 2 p.m. Saturday. Additional testimony will be given on housing during our Saturday session.

And now, Mrs. Freeman, as you have done since the beginning of the time when you were the only lady member of this Commission, will you please read the rules.

COMMISSIONER FREEMAN. Thank you, Father Hesburgh.

As the Chairman has said, this hearing will be divided into two parts after the opening session this afternoon. First there will be an executive session, which will be held in this room and which will begin in a few moments. At this executive or closed session, individuals have been invited to appear, if they so desire, to state their objections to the public presentation of any testimony which they believe might be damaging to them.

Following such objections, the Commission will decide whether the testimony should be heard in public. Then beginning at noon tomorrow, testimony will be received in public in this room and continued through early Saturday afternoon.

At the outset I should emphasize that the observations I am about to make on the Commission's rules are only an outline of the sig-

nificant provisions. The rules themselves should be consulted for fuller understanding.

Staff members will be available to answer questions which arise during the course of the hearing. In outlining the procedure which will govern this hearing I think it important to explain in some detail why the Commission is holding an executive session. Section 102(e) of our statute provides as follows:

If the Commission determines that evidence or testimony at any hearing may tend to defame, degrade or incriminate any person, it shall receive such evidence or testimony or summary of such evidence or testimony in executive session. The Commission shall afford any person defamed, degraded or incriminated by such evidence or testimony an opportunity to appear and be heard in executive session with a reasonable number of additional witnesses requested by him before deciding to use such evidence or testimony.

The executive session to follow this afternoon is being held to comply with this statutory requirement.

Several weeks ago the Commission met in Washington and received the material which had been collected in preparation for this hearing. It was then determined that certain individuals were entitled to a hearing in executive session. Accordingly, these individuals were notified of their right to appear at this session. Each also was sent a copy of the Commission's rules which explained this right and was invited to communicate with the Commission in the event he wished to appear or had any questions concerning the executive procedure.

Although some of these persons have been subpoenaed by the Commission to appear during the public session of this hearing, none of them has been subpoenaed to appear at this executive session.

Several weeks ago they received notice of this executive session, an explanation of its purpose, and an invitation to appear, if they so desired. They are not required by law to appear. The decision to appear or not to appear lies entirely with them. The executive session is for their benefit alone and if they determine to forego this opportunity, that is their privilege.

In providing for an executive session, Congress clearly intended to give the fullest protection to individuals by affording them an opportunity to show why any testimony which might be damaging to them should not be presented in public. Congress wished to minimize damage to reputations as much as possible. Congress wished to provide persons an opportunity to rebut unfounded charges before they were publicized. Obviously, this protection would be meaningless if they were confronted with and required to respond in public to the anticipated allegations.

Following the presentation of the testimony in executive session, and any statement in opposition to it, the Commissioners review the significance of the testimony and the merit of the opposition to it. In the event they find the testimony to be of insufficient credibility or the opposition to it to be of sufficient merit, they may refuse to

hear certain witnesses even though they have been subpoenaed to testify in public session.

An executive session of this type is the only portion of the entire 21½-day hearing which is not open to the public. The public and press are invited and urged to attend the open sessions.

Copies of the rules which govern this hearing may be secured during any recess from a member of the Commission staff. Persons who have been subpoenaed and persons who have been afforded an opportunity to appear in executive session have already been given their copies.

All testimony at the executive and public sessions will be under oath and will be transcribed verbatim by the official reporter. All witnesses at the executive and public sessions are entitled to be accompanied and advised by counsel. Counsel may subject his client to reasonable examination. He may also make objections on the record and argue briefly the basis for such objections.

Persons subpoenaed to the public sessions and persons who have been afforded the opportunity to appear in executive session may request that witnesses be subpoenaed on their behalf. All requests for such subpoenas must be in writing and must be supported by a showing of the general relevance and materiality of the evidence sought.

Additionally, persons who have been afforded an opportunity to appear in executive session may be accompanied by a reasonable number of witnesses who need not be subpoenaed. They may also submit statements prepared by themselves or others for inclusion in the record, provided these are submitted within the time required by the rules.

All witnesses at public sessions have a similar right to introduce statements into the record. At public sessions there is a limited right of cross-examination which is spelled out in detail in the rules.

Finally, I should point out that in many cases the Commission has gone significantly beyond Congressional requirements in its rules to provide safeguards for witnesses and other persons. We have done this with the intent of insuring that Commission hearings be conducted in the fairest and most impartial manner.

CHAIRMAN HESBURGH. Thank you very much, Mrs. Freeman.

And now, ladies and gentlemen, we have to clear the room for the executive session. Those who will be testifying before the executive session, we have prepared a room, Number 1545, for you, which is out this door and down to the left a few doors, and you can wait there until called. And everyone else should leave the room. And I shall have to ask those who stay, such as the U. S. Marshal, to identify themselves for the record, after the others have left.

(Whereupon, at 1:25 p.m., the hearing was recessed.)

# U.S. COMMISSION ON CIVIL RIGHTS

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## THURSDAY AFTERNOON SESSION

JANUARY 15, 1970

CHAIRMAN HESBURGH. This hearing of the United States Commission on Civil Rights will please come to order.

Ladies and gentlemen, my name is Theodore M. Hesburgh of South Bend, Indiana, and I am Chairman of this Commission.

I wish to welcome you to this hearing and introduce to you the other members of the Commission, our Staff Director and our Acting General Counsel and our Assistant General Counsel.

To my far right later in the day will be Mr. Ruiz from Los Angeles, California, who is the newest member of this Commission.

At my far right at this moment is Dr. Robert S. Rankin of Durham, North Carolina, Professor Emeritus at Duke University, Professor of Political Science. Then comes Mrs. Frankie Muse Freeman of St. Louis, General Counsel of the St. Louis Housing Authority.

Immediately to my left is Dr. Stephen Horn, Vice Chairman of the Commission and Dean of Graduate Studies and Research at American University.

Then Dr. Maurice B. Mitchell, Chancellor of the University of Denver. Next to Dr. Mitchell is Howard A. Glickstein, Staff Director of the Commission, Lawrence B. Glick, Acting General Counsel, and George Bradley, Assistant General Counsel.

The choice of the site for this hearing, the National Records Center, was not by chance. Situated as it is in St. Louis County, but physically close to the city, this auditorium offers an appropriate setting in which to hold this hearing, a hearing that will touch both the city and the county.

The staff of the center, and particularly Mr. Alfred J. Petroski, are to be commended for their many helpful suggestions, their invaluable assistance, and for the complete and unstinting cooperation they have given the staff of the Commission in making all of the necessary arrangements for this meeting.

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3. To appraise Federal laws and policies with respect to equal protection of the laws;
4. To serve as a national clearinghouse for information with respect to denial of equal protection of the laws because of race, color, religion, or national origin; and finally,

To investigate sworn allegations of vote fraud in Federal elections.

Now, under the law, the Commission is required to submit findings and reports to the President and the Congress which contain both the findings and the recommendations for corrective legislation or executive action. To enable the Commission to fulfill its duties, the Congress has empowered the Commission to hold hearings and issue subpoenas for the attendance of witnesses and for the production of documents.

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In carrying out its legislative mandate, the Commission has made detailed studies in the fields of voting, public education, housing, employment, and the administration of justice. To augment our studies in these areas, we have held hearings in Alabama, Arizona, California, the District of Columbia, Georgia, Illinois, Indiana, Louisiana, Michigan, Mississippi, Ohio, New Jersey, New York, Tennessee, and Texas.

The U.S. Commission on Civil Rights has not deliberately sought controversy, but neither has it retreated from the unpopular. Calmly and dispassionately, it has gathered the facts and then, after careful

consideration, made its pronouncements. Much of the civil rights legislation enacted in the past 9 years, several Presidential orders, and administrative decisions of some of the Federal departments reflect the acceptance of the findings and recommendations resulting from the Commission's studies and reports.

The last visit of the Commission to the Midwest was in the year 1966 and the place was Cleveland, Ohio. There we examined an entirely different set of problems than those which we will examine here in St. Louis County during the next 2½ days. Yet there is a link between these hearings, as there are between all Commission hearings, for what we seek is knowledge on which to base suggestions for change.

The purpose of our return to the Midwest is to collect information on the racial implications of suburban development as they relate to housing and employment for members of minority groups.

In the fifties and in the sixties our suburbs have sprouted like mushrooms after a summer rainstorm, while our cities have wilted in the dryness of neglect.

Most white Americans have been free to leave the concrete city for what they regard as a better life in the open spaces of the suburbs, but the poor and primarily the black poor, have been trapped behind the invisible wall that divides city from suburb. The movement has not been only of people, but of jobs as well, and this twin tide of outmigration has tended to push us further toward the tragedy of two separate societies. One white and comfortable and the other poor and black.

Now the situation in the St. Louis metropolitan area is not unique. There are many other metropolitan areas in the country that have gone through similar periods of rapid suburbanization that have virtually excluded blacks from an equitable participation in the benefits growing out of such moves.

As opportunities for housing and jobs grow in the suburbs, they decline in the city and unless the barriers to these areas are overcome, the advancements we have made on the civil rights front will have very little meaning for a large proportion of our population.

At this hearing, as at other hearings, the Commission will seek to explore in one city or one locale the civil rights problems that are representative of problems elsewhere. I would like to emphasize that no hearing by the Commission is ever an attempt to embarrass any one State, any one city, or any one individual.

This hearing is part of a national study of the Commission which we are beginning in order to collect information on this very important subject—important not only for members of minority groups but for the Nation as a whole. It is the culmination of several months of intensive work on the part of the Commission staff members who have conducted field investigations in the St. Louis area and talked to hundreds of individuals representing all segments of the commu-



nities they have visited. The work of the staff has been reviewed by the Commission and the Commission and staff have given careful consideration in determining which witnesses to subpoena to testify.

Now, time will not permit us to hear every person the staff has interviewed or every person who may want to share his knowledge or experience with the Commission.

For those individuals who have not been subpoenaed and who may want to submit a relevant statement for the record, we will be happy to make arrangements to have them interviewed by one of our attorneys or they may file any statements or documents they wish.

The history of this Commission has been that it has always been scrupulously honest and objective in all its presentations despite the emotion inherent in the areas in which we operate. The same will hold true for this hearing. Federal law affords protection to all witnesses subpoenaed to appear before this Commission.

While securing information is a major purpose of Commission hearings, they frequently have had an important collateral effect. In many cases the Commission's hearings have stimulated discussion and increased understanding of civil rights problems among responsible community leaders on the local level and have encouraged the correcting of injustice at the State and local levels. It is our hope that this hearing will serve this creative purpose.

The testimony we will hear during the next 2½ days will deal with the subjects of employment opportunities for Negroes in suburbia, with federally financed job training programs, suburban housing, Federal enforcement of equal opportunity, government planning for housing at the Federal and local levels and, finally, urban renewal.

This hearing opens on the eve of observances in many of our cities to mark the birthday of a man whose wisdom and leadership inspired most of mankind. Almost 2 years have passed since the death of Dr. Martin Luther King, but his spirit still resides in the hearts of many men around the world, driving them on to seek the goals that he so clearly saw from his mountain top.

We cannot hope through this hearing to make real all of Martin Luther King's dreams, but we can search for answers to some of the problems that were of concern to him, and remain of great concern to millions of his fellow Americans. Our sincere efforts in this direction will honor not only this man but our own beliefs in a fundamentally just society.

The public session which we inaugurate today will continue after a 5 to 7 o'clock recess this evening. And the session will resume after the recess at 7 o'clock and will end at 10:30 this evening.

Testimony at the Thursday hearing, which is today, will deal with employment opportunities for black persons in suburbia.

We will reconvene again tomorrow at 9:30 in the morning. Lunch

will be from 12:10 until 1 o'clock, and the session will close tomorrow at 6:25 p.m. The testimony on tomorrow, Friday, will concern housing in suburbia.

The Saturday session will begin at 9 o'clock in the morning, and there will be a recess from 12 to 12:30 for lunch, a very short recess I might add. We will conclude the hearing at 2 p.m. Saturday afternoon.

Additional testimony on housing will be given on Saturday.

And now, as we have always done since Mrs. Freeman joined the Commission as our one and only lady member, we would like to ask her to read the rules for this hearing. Mrs. Freeman.

COMMISSIONER FREEMAN. Thank you, Father Hesburgh,

As the Chairman has said, the hearing has been divided into two parts. First, there was an executive session which was held yesterday afternoon. At the executive or closed session, individuals were invited to appear, if they so desired, and to state their objections to the public presentation of any testimony which they believed might be damaging to them. This afternoon we begin the public session which will continue through Saturday.

At the outset I should emphasize that the observations I am about to make on the Commission's rules constitute nothing more than brief summaries of the significant provisions. The rules themselves should be consulted for a fuller understanding. Staff members will be available to answer questions which arise during the course of the hearing.

In outlining the procedures which will govern the hearing, I think it is important to explain in some detail the differences between the public session and the executive session concluded yesterday.

Section 102(e) of our statute provides and I quote:

If the Commission determines that evidence or testimony at any hearing may tend to defame, degrade or incriminate any person, it shall receive such evidence or testimony in executive session. The Commission shall afford any person defamed, degraded or incriminated by such evidence or testimony an opportunity to appear and be heard in executive session, with a reasonable number of additional witnesses requested by him, before deciding to use such evidence or testimony.

Several weeks ago, the Commission met in Washington and received the material which had been collected in preparation for this hearing. It was then determined that certain individuals were entitled to a hearing in executive session. Accordingly, these individuals were notified of their right to appear at the session. Each also was sent a copy of the Commission's rules which explained this right and was invited to communicate with the Commission in the event he wished to appear or had any questions concerning the executive procedure.

Although some of these persons have been subpoenaed by the Commission to appear during the public session of the hearing, none of them was subpoenaed to appear at the executive session.

Several weeks ago they received notice of the executive session,

an explanation of its purpose and an invitation to appear, if they so desired. They were not required by law to appear. The decision to appear or not to appear lay entirely with them. The executive session was for their benefit alone, and if they determined to forego this opportunity, that was their privilege.

In providing for an executive session, Congress clearly intended to give the fullest protection to individuals by affording them an opportunity to show why any testimony which might be damaging to them should not be presented in public. Congress wished to minimize damage to reputations as much as possible; Congress wished to provide persons an opportunity to rebut unfounded charges before they were well publicized. Obviously this protection would be meaningless if the person were confronted with, and required to respond in public to, the anticipated allegations.

Following the presentation of the testimony in executive session and any statement in opposition to it, the Commissioners review the significance of the testimony and the merit of the opposition to it. In the event they find the testimony to be of insufficient credibility or the opposition to it to be of sufficient merit, they may refuse to hear certain witnesses even though they have been subpoenaed to testify in public session. An executive session of this type is the only portion of the entire 2½-day hearing which is not open to the public.

The public hearing which begins this afternoon is somewhat different; the public and the press are invited and urged to attend the open sessions.

Almost all persons who are scheduled to appear have been subpoenaed by the Commission.

All testimony at the public sessions will be under oath and will be transcribed verbatim by the official reporter. Everyone who testifies, or submits data or evidence is entitled to obtain a copy of the transcript on payment of costs. In addition, within 60 days after the close of the hearing, a person may ask to correct errors in the transcript of the hearing or his testimony. Such requests will be granted only to make the transcript conform to testimony as presented at the hearing.

All witnesses are entitled to be accompanied and advised by counsel. Counsel may subject his client to reasonable examination. He also may make objections on the record and argue briefly the basis for such objections.

If the Commission determines that any witness's testimony tends to defame, degrade, or incriminate any person, that person or his counsel may submit written questions which, in the discretion of the Commission, may be put to the witness.

Persons subpoenaed to the public session may request that witnesses be subpoenaed on their behalf. All requests for subpoenas must be

in writing and must be supported by a showing of the general relevance and materiality of the evidence sought.

In addition, all witnesses have the right to submit statements prepared by themselves or others for inclusion in the record, provided they are submitted within the time required by the rules. Any person who has not been subpoenaed may be permitted, in the discretion of the Commission, to submit a written statement at this public hearing. Such statement would be reviewed by the members of the Commission and made a part of the record.

Witnesses at Commission hearings are protected by the provisions of Title 18, U. S. Code, Section 1505, which make it a crime to threaten, intimidate, or injure witnesses on account of their attendance at Government proceedings.

Copies of the rules which govern this hearing may be secured during any recess from a member of the Commission's staff. Persons who have been subpoenaed have already been given their copies.

Finally, I should point out that these rules were drafted with the intent of insuring that Commission hearings be conducted in a fair and impartial manner. In many cases the Commission has gone significantly beyond Congressional requirements in providing safeguards for witnesses and other persons. We have done this in the belief that useful facts can be developed best in an atmosphere of calm and objectivity.

We hope that such an atmosphere will prevail at this hearing.

CHAIRMAN HESBURGH. Thank you very much, Mrs. Freeman.

Our opening remarks this afternoon will be remarks of welcome by the Reverend Richard P. Ellerbrake, who is Chairman of the Missouri State Advisory Committee to the U. S. Commission on Civil Rights.

Reverend Ellerbrake, would you kindly take your position here? We won't swear you in, out of professional courtesy.

**STATEMENT OF THE REVEREND RICHARD P. ELLERBRAKE, CHAIRMAN, MISSOURI STATE ADVISORY COMMITTEE TO THE U. S. COMMISSION ON CIVIL RIGHTS**

REVEREND ELLERBRAKE. Father Hesburgh, Commissioners of the United States Commission on Civil Rights:

It is good to have you and your staff here with us in Missouri, for the first time that the Commission has held a hearing in this border State.

The next days doubtless will provide stimulating information relative to the racial implications of mushrooming suburban growth, implications which are, of course, for all of life, as you have stated—urban as well as suburban.

I regret that the honorable Governor of Missouri is not present to welcome you at the start of this hearing, for it is an historic occasion for this State. I presume, therefore, to bid you welcome on

behalf of the citizens of Missouri, and particularly on behalf of the Missouri Advisory Committee. Several members of the Missouri SAC—as we call it—are here today, and it is my privilege to introduce them to you. We also have our lady member, Mrs. Evelyn Schreiber. Would you stand just momentarily?

Mrs. Schreiber's credentials are long and well-known and beloved to those of us in this State. You have had the opportunity to meet her last night. It is my pleasure to introduce her again this morning.

Dr. John Bennett is the chairman of the department of anthropology at Washington University.

The Reverend James L. Blair is the pastor of the Central Christian Church in Kansas City.

Mr. Roy Cooper is the Assistant Director of the Farmers Home Administration—the Assistant County Supervisor of the Farmers Home Administration in New Madrid, Missouri.

Dr. Ladislao Lopez, from Lee's Summit, Missouri, is a chiropractor, and a representative, for the first time, of the Mexican American minority on our Committee.

Mr. Myron Schwartz whom we are delighted to have with us again in Missouri, having returned to this State and to our Committee. Mr. Schwartz is now the executive of the county human relations commission of St. Louis County.

During the last decade, the Missouri State Advisory Committee has engaged in studies, prepared reports, and conducted both open and closed meetings. Several highlights of these activities include the now legendary 1959 report spearheaded by Dr. Lorenzo Greene, "Desegregation of Schools in Missouri"; the 1961 reports on housing, employment, public accommodations, and education; the 1963 open meeting in St. Louis; and the subsequent comprehensive report on housing, employment, and voting in Missouri; the 1966 open meeting in the Missouri Boot Heel and the follow-up closed meeting the next year, each touching a wide range of problems in this Delta region.

I think it's fair to say that the community response to this expression of "Federal presence" was as heartwarming as the subsequent lack of responsiveness to the issues raised is heartrending.

In 1967 the State Advisory Committee held a closed meeting with public officials and others in Sedalia, and in 1968 a closed meeting in Kansas City, during which Federal officials and others commented on the Federal housing programs and the role of the Government in that program.

The State Advisory Committee has stimulated, in ways known and unknown to us, the registration of complaints with the Missouri Commission on Human Rights, a State agency, which is presently faced with the problem of an enormous and increasing backlog of unresolved petitions from citizens alleging violation of their civil rights.

The State Advisory Committee has met in numerous executive sessions as well as in meetings such as those I've just described and, as we have done this, certain patterns have developed. We have reported to you specifics relating to the economic, the educational, and the housing dilemma faced by the black minority in this State. Of course, the backside of this kind of report, is the economic, the educational, and the housing advantage enjoyed by the relatively wealthy, influential, and comfortable white majority.

This majority tends to talk much, occasionally saying something pertinent; but too rarely doing anything significant about this triple dilemma and too rarely allowing anything to be done about it.

To be sure, if you inquire in a penetrating way, you will hear of local progress in the improvement of life quality among some members of the minorities; but for more, there is a growing sense of frustration and hopelessness. Witness the recent catastrophe in the St. Louis City housing developments, Pruitt-Igoe and others, where families are forced to live in a decaying jungle in the absence of available low-cost housing in the suburbs.

You will find, I'm sure, some openness in the suburbs, because there is a trickle of black families into the county. But the core of the city remains black, and grows blacker, and the ring around the core maintains its complexion as a "safe haven".

You will find that the State's first antidiscrimination law was the Fair Employment Practice Act of 1961. Yet, today, alleged discrimination in employment tops all other categories of complaints received by the Missouri Commission on Human Rights.

You'll find, I think, a complex of subtle pressures in play which make it apparent that our problem is not the lack of civil rights for blacks, but rather exploitation of power by those who do not see, or seeing, do not feel, the seriousness of the threat to our Nation.

The threat is to our integrity, both to our "holding together" as it were, and to our moral leadership. What integrity we may have had—and it is perhaps questionable—is threatened; for we are becoming more fragmented, more isolated from each other, as there develops two separate worlds, the city and the county, different environments and unlike in quality, emerging in splendid isolation, nevertheless begging to be considered as one indivisible problem, since each is bound to the other in what seems almost a love-hate relationship. Too, we are losing our moral leadership, and integrity.

Thanks to the work of your Commission and others, we may no longer take refuge in ignorance. We know what is happening. We have been adequately warned of the consequences by several Federal commissions. And it is not knowledge that we lack, but commitment.

The State Advisory Committee has surely encountered some naiveté, but more, much more, have we been eyeball to eyeball with power and privilege seeking to hold onto what was never intended to be a possession for some at the expense of others.

Against this backdrop we certainly find glimmers of hope. Your being here is one such sign. Your hearing, we trust, will illuminate us; it may illuminate some public and private consciences; and the presence of the media will illuminate the illumination, for it is still true that darkness has not overcome the light—no pun intended.

In any case, it is the hope of the Missouri Advisory Committee that good legislation may result from this hearing, and that insight gained may be fruitful in promoting voluntary corrective action by courageous citizens.

To assist in meeting both of these goals, the State Advisory Committee will continue its factfinding and reporting. We shall return to visit places and people concerned with this hearing and with the previous open and closed meetings that the Committee has held, to evaluate progress or the lack thereof, and to make to you appropriate recommendations.

We wish you well. May God's spirit lead you. Thank you.

CHAIRMAN HESBURGH. Thank you very much, Reverend Ellerbe. And may I, on behalf of all of our Commissioners and our staff, commend you and your fellow members of the Missouri State Advisory Committee for the wonderful leadership that you have given in this State, for the enormous help you have given us in our nationwide efforts, and to go on record once more in saying that much of the vitality and much of the effectiveness of the Commission on Civil Rights goes back to the vitality and effectiveness of our State Advisory Committees. You have given great leadership to this as Chairman, and your fellow members have greatly augmented our efforts. And we are grateful to you for your words of welcome, as well as for your fine work. Thank you very much.

We begin this afternoon with two overview witnesses. The overview witness will take a look at what the French call the *tour d'horizon*, a kind of look at the wide horizon in front of us. And we hope to conclude the hearing with another overview at the end, by the same witness.

So I am first going to call Mr. Clarence Funnyé, who is director of planning, National Committee Against Discrimination in Housing. Would you please go to the stand, Mr. Funnyé?

(Whereupon, Mr. Clarence Funnyé was sworn by the Chairman and testified as follows:)

**TESTIMONY OF MR. CLARENCE FUNNYÉ, DIRECTOR OF PLANNING  
AND FIELD SERVICES FOR THE NATIONAL COMMITTEE AGAINST  
DISCRIMINATION IN HOUSING, BROOKLYN, NEW YORK**

MR. GLICKSTEIN. Mr. Funnyé, would you please state your full name and address for the record?

MR. FUNNYÉ. Clarence Funnyé, 208 Washington Park, Brooklyn, New York.

MR. GLICKSTEIN. Mr. Funnyé, would you describe for the Commissioners your educational background?

MR. FUNNYÉ. Yes. I'm trained in architecture, city planning, and engineering. I have degrees in these fields, including doctorate in planning, master of science in planning, registered architect, professional engineer, professional planner, membership in the American Society of Planners, the American Society of Engineers, National Society of Professional Engineers.

Also a member of the faculty of the Graduate Planning School at Pratt Institute, and author of a number of publications dealing with urban planning, land use, and urban opportunity.

MR. GLICKSTEIN. And, as Father Hesburgh indicated, you are the director of planning for the National Committee Against Discrimination in Housing?

MR. FUNNYÉ. That's correct.

MR. GLICKSTEIN. And, I guess, after what you just said, we should be calling you "Doctor". Is that correct?

MR. FUNNYÉ. You may. I like it.

MR. GLICKSTEIN. Dr. Funnyé, we just heard Reverend Ellerbrake describe some of the conditions in this area, particularly the fact that there are two separate worlds that seem to be emerging here in the St. Louis area: and he also described briefly some of the decay that's occurring in the central city here.

As you know, several urban experts predict that our cities are eventually going to disappear as cultural and economic centers. Would you please comment on the reasons for this prediction, and for some of the things which Reverend Ellerbrake described?

MR. FUNNYÉ. Yes, I will. I'd like to say that pursuant to written request from you to appear at this hearing, I prepared a short introductory paper which I'd like to introduce into the record. I shouldn't read it.

MR. GLICKSTEIN. Mr. Chairman, may that be received?

CHAIRMAN HESBURGH. So ordered.

(Whereupon, the document referred to was marked Exhibit No. 6 and received in evidence.)

MR. FUNNYÉ. Thank you.

Now, with respect to the question, I think that the planners and urban experts who predict the demise and continued and accelerated decay of American cities are on very sound grounds.

If you just listen to the testimony just given by the Chairman of the Missouri State Advisory Committee, and if you just read the report of the National Commission on Violence just released, I think it's quite clear that we're seeing a complete sort of separation of the races in America, in residential terms in America. But that's even more ominous now because of the trend for industry to move to the



suburbs, and for blacks to be continually confined in the center cities, we now find that non-access to suburban housing, plainly and simply, means non-access to the newest kinds of jobs.

I think that we can expect that blacks will continue to get poorer and poorer; that as the black population goes up that, of course, the economic situation in cities must go down. There does not appear to be a trend towards the resolution of the problem.

MR. GLICKSTEIN. Then what you're describing is a national phenomenon. Is that correct?

MR. FUNNYÉ. That's correct, yes. I'm not speaking specifically of St. Louis, although one might say that St. Louis is not atypical.

MR. GLICKSTEIN. For the last 10 or 15 years, Dr. Funnyé, we have heard urban planners discuss various theories that contain all sorts of suggestions that are supposed to permit sane and intelligent urban development. Are you suggesting that all of these plans, programs, are not working? That they've failed?

MR. FUNNYÉ. I'm suggesting that the plans and programs have been used—and here again, I can go back to some of the Commission reports—in a more or less racist manner, to continue the confinement of blacks. For example, if we consider urban land use plannings, especially zoning, we find that communities that were given this power by the States to zone for the development and for the security and for the cultural and economic and environmental viability of communities, have, in fact, used this to sort of shore up their own status and plainly to keep blacks out of their areas.

MR. GLICKSTEIN. But that wasn't the intention of that sort of program, was it?

MR. FUNNYÉ. Oh, certainly not. I think the zoning laws are very laudable on their face, if properly used. The fact is that they aren't. As a matter of fact, we have evidence that they're deliberately misused in almost all cases, where we have found that communities will deliberately zone to keep out blacks, and in some cases to keep out poor people—whether black or not.

I think that it's safe to say that Federal planning assistance with this has not helped a lot. I think the Federal Government has just gone along with it.

MR. GLICKSTEIN. Do you think that, more than just going along with it, do you think the Federal Government has played an active role in creating black cities and white suburbs?

MR. FUNNYÉ. Most assuredly. The Federal Government is probably—the American Federal Government is probably the world's greatest ghetto builder. No question about it. I mean, if we look in terms of the completeness of separation and the quantity, the size of the ghetto—even more so than South Africa, I would think.

I would ask you to recall—you know, the traditional trends that we like to think about when we think about the Federal Government building ghettos, we think about the FIIA, the now infamous

Blue Book requirements that a neighborhood should be homogeneous, of one race, and that if they were not, they were not good neighborhoods. And while this was thrown out later by the courts, we find the momentum of FHA has not changed significantly, that they still operate on the same kinds of approach.

We find that while the Federal Government does have a program to encourage relationship with the suburbs and the city—the city with the suburbs—because they all are, you know, technically one area, there is no cultural difference actually between, for example, the city of St. Louis and St. Louis County. If a road has to go through St. Louis, St. Louis has to use water that may or may not be in the suburbs, and the suburbs must live in the air that St. Louis breathes. The whole thing—it's one area.

The Federal Government decided that maybe regional planning ought to require that the suburbs and cities work together. In point of fact, this requirement, like most of the other requirements, very laudable ones, has not been respected in large part and we see the momentum not significantly changed. And we see the cities still planning as if they were completely separate from the suburbs, and vice versa.

MR. GLICKSTEIN. Would you suggest that we don't have adequate legislation on the books? That we need new laws to deal with these problems? Or is there a problem with the implementation of our present laws?

MR. FUNNYÉ. I think we have—and this is something that's very interesting to me. Very often, radical planners and even liberal planners and urban experts will criticize the American Congress for being foot-draggers in answering the urban problems. But if you examine some of the programs passed by the Congress, they were, I think, very good by and large.

The programs requiring nondiscrimination in the allocation of grant monies, the programs requiring that there be no discrimination in the administration of planning programs, and programs requiring that the agencies like, for example, HUD, administer the activities in such a way—I believe I can remember it correctly—"to affirmatively work towards non-discrimination in housing," are all very good.

Now, HUD administers a tremendous number of housing programs. If HUD just, itself, would follow the laws which are already on the books, we would be able to sort of get at some of these problems. In point of fact we have seen that HUD at least has not gotten the message. We find their Regional Administrators going along as if this were still 1957, as if none of the laws were passed since 1957 trying to get at this problem.

We find that they wink at the requirements that people who are relocated as a consequence of urban redevelopment be relocated in safe, sound, and decent housing in reasonable proximity to where they lived then. And we find the weirdest of situations.

In spite of the trend we find industry moving from the cities and we find that we've got to sort of reconnect people with jobs and so forth, we find the Federal Government actually moving blacks back from the suburbs to the city—blacks who have been living in the suburbs for years. Your staff people found one or two cases right here in St. Louis. I'm sure they'll talk about it later.

But it seems to me it's horrendous that the administrative agencies, agencies designed or charged with carrying out the congressional mandates, are simply not doing it.

MR. GLICKSTEIN. There has been some talk recently, Dr. Funnyé, that one problem is that there's too much control in Washington on the Federal level, and that if we gave more responsibility to local governments, some of these programs might work more efficiently or effectively. What do you think of that?

MR. FUNNYÉ. I don't think so. I don't think that the question is a matter of control. I think if anything, there should be more control.

But there should be somebody watching the house. There should be somebody in Washington who is checking off the requirements when a law is passed by Congress, seeing that things are carried out.

I think if we have more control with the present attitude, that we're not going to see much change.

The Field Administrators—at one time I used to be a Senior Planner for HUD, in Region 1, New York—liberal opportunity capital of the Western World—and some of the things that one found there would shock you, actually.

We had situations where a local planning developer and a local chairman of the planning commission and/or urban renewal agency—sometimes they combine—would literally tell me: "Look, can we get some more pressure from New York or from Washington, to try and give us some backbone here? We'd like to carry out these requirements that would force us to relocate these people in other than ghetto areas. But we get no support."

They would ask me if we could just ask the Administrator in Washington, or the fellows in the Regional Office, if they would just threaten to hold up the approval of a grant, just to maybe get some kind of positive reaction on the part of resistance local forces.

And the tendency, when you went in to speak to the Administrator, was: "Well, of course, you have a good reason and it's laudable, it's fine, and we'd like to do this; but we've got to get this program finished. We've got to get it through."

They were mainly interested in approval and processing. They were not interested in seeing that the consequences of the program resulted in better opportunities for citizens.

MR. GLICKSTEIN. We have heard talk about the city decaying, but we also know that there are all kinds of urban action programs, such

as Model Cities, that are advertised as means of revitalizing the city. Some people say that they are actually gilding the ghetto. What is your view of these programs?

MR. FUNNYÉ. I would think it's true. The charge that many of these so-called new urban action programs are gilding the ghetto is certainly very accurate.

Why don't I give you just one—I could give you more, but one specific might be enough.

In 1964, on a special HUD-OEO grant, a block in Harlem, now famous, called 114th Street, was given concentrated attention. They poured in over \$7 million. It boiled out to be about \$17,000 per family, to rehabilitate this particular block, and to provide on the block some trees and planting, and to give the people certain comfort in the area, if you will. But you have to know that 114th Street is surrounded by one of the most dense, if not the most dense, ghetto in the world. It has *all* of the very negative indices that you'd want, in terms of death rate, dope addicts—the whole bit—crime.

Two years after completion of the project we find residents testifying in *The New York Times* that they have to have two police locks on each door, they're afraid to go out after sunset, that the children are still playing in the streets with dope addicts, that it is not uncommon for an 11- or 12-year-old boy to be on dope, or a 14-year-old girl to be raped—that the environment is stifling, that they wish to hell they could get out of there, out of the area—and then one looks at this and says: "Now, if the Federal Government were really interested in these people, would it not have been better to give them the \$17,000 apiece and let them move to Staten Island or Hempstead, or someplace else further away, someplace that would be closer to the jobs they travel to every day, someplace that would be less dense, someplace that would not be so psychically threatening?"

Now, of course, the Government admits that this was a bad mistake, but they're still doing the same kinds of things in a number of other cities.

MR. GLICKSTEIN. Many people believe that black people prefer to live in the cities, that they're city dwellers. What's your view of that claim?

MR. FUNNYÉ. It's interesting, isn't it, when it comes down to it; it really sort of staggers you. When you look at this thing historically, and I like to recall that the whites in this country came from Europe, by and large, from the dim and dank European ghettos, where they had very little fresh air, very little open space, and they certainly were not used to low densities.

And Africans, on the other hand, came from Africa, where they had all the green grass and open space in the world.

Now we're being told by certain preprogrammers that somehow, whites should be out in the suburbs, where they can have the green grass and open space, while the blacks are somehow native to the

dim, dark, and smelly ghettos. It seems kind of inconsistent to me.

But besides that, I don't put a lot of stock in this argument. You know, we hear a lot of argument from what I call a mini-fringe that there is some relationship between the number of blacks in a certain ghetto area and the quality of power enjoyed. I suggest if this were true, the ghettos in—for example, Harlem, in New York, would be the most powerful ghetto in the world. Even St. Louis' comparatively small ghetto would certainly be very, very powerful. We find there's no evidence of this.

Moreover, if this were true, I suggest that there would be no need for all of the devices that have been raised, to keep blacks locked up in the city. Why would the real estate board be staying up nights, trying to find out new ways to get around this, you know? Why would there be special guards on the ghetto gates, so to speak, to keep blacks in, if nobody wanted to get out?

You know, I think the argument is kind of silly.

MR. GLICKSTEIN. I know we could spend days discussing my next question, but could you just very briefly tell the Commission what you regard as the steps that need to be taken to deal with some of these problems we have spoken about?

MR. FUNNYÉ. I think that there probably, like you say, are many, and we could take a long time. I'll try to compress them.

I think, one, the American society certainly has got to come to terms with itself, as a multiracial society. Really, we've got to recognize that no civilized society has long survived after the deterioration and decay of its centers, of its cities. We have never really come to terms with our cities, and I think we have to do both simultaneously. We probably will have to go back and come to terms with the fact that the American black man is as native to America as the American white man; that he's not going to go anyplace else; that if we make this, we make it together.

I think the one and key word here probably is deghettoization of the urban areas.

Now, I would suggest in part that if blacks had not been here at all, we would still have to do something about city planning and about the deterioration of ghettos. The whole urban fabric seems to be falling apart, for more reasons than race.

Race, however, makes it extremely bad, and complicates it.

Now, if we had just a national policy to deghettoize our urban centers, a policy which was directed to having the full weight of the Federal Government—all of its programs, in HUD and HEW and OEO—all of the programs directed towards seeing that blacks had the same opportunities to live in suburban areas, to live near jobs, to move about within cities, as whites have, I think we would have taken a giant step.

I have the feeling that the forces operating against deghettoization don't really consider the American Government to be serious with

all their proclamations about equal opportunity. They approach you with tongue in cheek, everybody is winking at everybody else, and they're saying: "Yes, they passed a law, but you and I know what's going to happen."

The first step, tonight—no laws have to be passed—the Federal Government would have to say: "We are serious, ladies and gentlemen; we mean it when we say that blacks are Americans, that they should enjoy the same rights to liberty and pursuit of happiness—the whole bit—as whites do."

It's not a question of program. It's a question of enforcing the laws which are on the books, and directing them towards a policy which would be intertwined with urban opportunity. Deghettoization is my word, but I think if you'd just say urban opportunity, it would be the same thing.

I would think that would probably sum it up, yes.

MR. GLICKSTEIN. Thank you, Dr. Funnyé. I have no further questions, Mr. Chairman.

CHAIRMAN HESBURGH. What we generally do in these hearings is either our Staff Director or Staff Attorney begins the questioning, because there are certain things we have to get on the record, and they have to be asked. And then we open the questioning to the Commissioners, starting first on one side and then on the other, so that some Commissioners don't get much more of a chance to talk than others, because we do have to keep our time schedule.

So I'd like to begin with our Vice Chairman, Dean Horn.

VICE CHAIRMAN HORN. Dr. Funnyé, I was interested in your comments, both written and oral. One question that comes to mind—and you mentioned in your oral presentation how laudable it was to have some regional planning. I think this might come out as being particularly true in a situation such as we have here, in a county and a city, and the problems of competing governmental jurisdictions.

But it seems several problems come to mind here. One, our society has a goal of representation of—belief in representation of the people at the grassroots, to elect those that are to solve their governmental problems.

On the other hand, we've sort of had a commitment for many years, really, more in public administration in many parts of societies, of bringing together competing governments for effectiveness, efficiency, coordination, integration of governmental services.

Now, these two goals pose a real difficulty in terms of the situation in modern America. When you take a city like Newark or Atlanta or, probably increasingly St. Louis, as central cities become increasingly black, let's say, and whites have fled to the suburbs, we find that at last when black citizens have a chance to elect their own mayor, or elect their own city council, you also have a competing goal of regionalization, which in a way would dilute their chance at

political power, which might help them solve some of the problems of the inner-city.

Do you have any thoughts on this apparent conflict of two competing goals?

MR. FUNNYÉ. I'm delighted you asked this. Yes, the statement is one that we've been arguing for several years with another team from Columbia University—Piven and Cloward—you may have heard of them—who take this same line, that where blacks take over a city they will have a lot of power.

I ask you to examine this. Take Newark. The city is, for all practical purposes, run by authorities now. There is even a new Airport Authority. The Airport Authority collects its own taxes and has yet to give a dime back to the city. The mayor gets some money from in-city business and from property tax and so forth—very miniscule. I don't know that he can manage much with that.

Consider Mayor Lindsay's statement the other day, that if they raise the subway fare in New York to 30 cents it would be over his dead body. They did, and the last time I heard, the mayor's heart was still beating. The fact is that they have a subway—a Transit Authority, made up of people who were appointed by the Governor. It wasn't by the mayor. They live in Hempstead and Westchester County and upstate New York. The people of the city have no control whatever over them.

And there's the Port Authority which runs the airports and the bridges and the roads. And we could go on down the list about these authorities. I sometimes stay up nights, wondering what do big city mayors do now?

VICE CHAIRMAN HORN. I take it you feel, then, the emphasis should be on an integration of services to serve all the people in a given area?

MR. FUNNYÉ. Precisely. Precisely, yes.

VICE CHAIRMAN HORN. I wonder, Mr. Chairman, if I could make just one last comment.

I was interested in Page 1 of your testimony, and I suspect impressionistically I would agree with you. But I wonder if the staff could ask both HUD and the Veterans Administration to give us a statement of the dollar volume and number of family housing units which are FHA and VA supported in the postwar period, in relationship between the central city construction dollar volume, multi-family or singlefamily, and suburban, surrounding construction. If that data are available I think that would help illuminate some of the problems you're talking about.

(The information referred to is contained in Exhibit No. 58.)

One last comment is, I was glad to hear you mention that in some cases this is not completely a problem of race; that there are poor who are both white and black, and it behooves the country to try

and solve the problems of all these people who are at this poverty level.

CHAIRMAN HESBURGH. Dr. Mitchell?

COMMISSIONER MITCHELL. No questions, thank you.

CHAIRMAN HESBURGH. Mrs. Freeman?

COMMISSIONER FREEMAN. No questions.

CHAIRMAN HESBURGH. Dr. Rankin?

COMMISSIONER RANKIN. Yes, I have one question.

With respect to life inside the city, I get a pessimistic picture of it from you, that it's all bad. Can it be made more attractive? I know I have members of my family who live in Southwest Washington, in that redeveloped area. They would rather live there than fight traffic for 3 hours. And they're living there and seem to be enjoying it very much. Can't we make city life attractive, or shall we just wipe it off the board?

MR. FUNNYÉ. No, I think we need cities, and I think—I agree with you. Personally, I love them. I'd like to make them more attractive. I opened by saying—maybe I took it out—the American city is some kind of accident, but it is possible to make it live. I would—you see, I tied deghettoization in with the revitalization of the city. You know, it is not possible to concentrate all of your poor, all of your deprived, just in the cities, and expect them to keep going along viably. I don't think so.

I think that when we really get serious about cities, and in spite of all the rhetoric I don't think we are now; you know, it's a great cocktail party discussion thing, about how cities are going down, about how bad things are. And they're true, but nobody seems to be really that concerned about it.

The Commission on Violence, for example, in its very pessimistic prediction, predicted that we would be getting to a point where we'd have to have safe corridors for people coming into the city from the suburbs. These would be isolated corridors. They'd be going to guarded commercial areas and then people would be returning again through guarded corridors.

I don't think that this is inevitable, but I think if it's not going to be inevitable, something has to crack.

CHAIRMAN HESBURGH. Dr. Funnyé, I'd like to ask you a question. You've been thinking about this for a long time, and I'm sure there are times when all of us would like to be God for a few minutes and do exactly what we wanted, or President of the United States, or a few other things, that give us the power to do the things we think are right to be done, or need to be done.

If you had your druthers, and you could do four or five things of highest priority to the city, to change it from what it is into what it might be, what would your list of priorities be? Where would you begin, and what would you progress to? I've given you a lot of power, now. You've got the whole works.



MR. FUNNYÉ. I feel big already. The suggestion is there, I think.

First, I would make cities number one. You know, I'd relate cities to national security. And then I would do such things as are necessary to sort of get the people to think about the life of their city as much as they think of the life of their country, *vis à vis* another country, you know.

And then, when we get to that point, certainly one could think in terms of shifting around priorities so that the city gets at least one-half of the budget that we now put in external defense. I would develop a whole new psyche about internal defense, the need to fight the forces which destroy from within.

And then give the cities the kinds of monies necessary to do that.

I don't hold out a lot of hope for that, but the question was what would happen.

CHAIRMAN HESBURGH. What would you then do with the money? Now you've put a high priority on the city as the vitality of the Nation, and—

MR. FUNNYÉ. All right. Now—I should have said at the onset, I've redefined cities so that a city like St. Louis would include St. Louis County, you know, either structurally or for all practical purposes. You know, so that there would be one sewer system, road system, administered by one authority, and so would the water system. If we have an air pollution committee—authority—the same thing would be—it would be like one overall administration for schools. So it would be, in effect, one city. There would be denser portions and less dense portions.

And then we would get really serious about—one thing I think is important to this—the program requires that housing, at least, be taken out of the profit system. I think there is serious question, even in the minds of civic-minded real estate men, serious questions as to whether the industry as presently geared, can build housing for poor people. There is even some question about moderate- and middle-income housing, actually. But for poor people, certainly. And I think that moderate and poor housing should be taken out of the profit equation and treated almost like one would treat water. You know, a necessity.

I then would make it a serious violation of national security for any person, any agency, or any institution, to do anything which in the opinion of the national security people—that is, the people who define cities as being, you know—to do anything against the furtherance of the health and viability of the cities.

Let me give you an example: A real estate broker, or real estate developer, who, with forked tongue, works to shore up the ghettos, to keep them shored up and at the same time trying to keep the white areas white, would be treated as any other criminal. We would not have conciliation hearings with them, you know. I think that may be another aspect here. The laws about urban opportunity

are usually treated as almost a gentleman's agreement which nobody believes in. And so a guy who violates a law against block busting, which is a Federal law, you know; it's a Federal law. He just sort of winks and nobody takes him seriously.

But if he were really treated as a serious criminal, I think we'd begin to create the kind of mental attitude necessary to begin to approach the city as a serious problem.

Finally, I would look at all the institutions of the country; most particularly those institutions which relate so closely with Federal institutions as to be in some cases indistinguishable. Some research centers at some of our bigger universities are a good example.

And then I'd look at the resources in the country in terms of all of the untrained men, mostly poor, both white and black—Appalachian whites, Chicago ghetto poor—and I would start viewing them as a resource. And I would say, now, with respect to the allocation of these resources, we are going to allocate them in a way as to benefit the most people; or, put it another way: we'll allocate them so that we say, if we didn't do this it will be most costly.

We'd start thinking in terms of people in a sort of cost-benefit basis. You know what I mean? If there are 100,000 poor people in a given area, we start projecting the cost in social terms and throw it right in the economy with any other cost. You know, the cost of deteriorating sewer systems. And we would say, if it is necessary to train these people—whatever is necessary—training schools or colleges or whatever—then the Government would bear this cost and pull it out on the other side of the equation.

So that today we have 500,000 8-year-old boys, whose parents are welfare recipients, whose fathers are not there, and who are in the badly described family. We look at these 8-year-old boys at 8 plus 20. Twenty years later we say: "What could they be?" They could be engineers, making \$20,000 a year, paying \$3,000 in taxes. They could be doctors making more a year, paying maybe less in taxes but they could be a lot more than they would have been.

Then we start making a cost-benefit basis on that. How much more are they worth to the society? How much more would they cost? And I don't think that's crass; I think that's just sensible. Because if we let these fellows go—and 8 plus 20 years—they're still going to grow up, you see, but if you would not have helped them here, the help here is a bit late, and it also costs you more.

I think this kind of approach is easier to sell, because then it doesn't look like we have a kind of "who gets what" system.

CHAIRMAN HESBURGH. We have one more question, Dr. Horn; then I'm going to have to conclude this, to keep on schedule.

VICE CHAIRMAN HORN. All right, I was interested in your response to Father Hesburgh's question, and especially your comments being really based on the high cost of land within the city which, in turn, raises the high cost of housing. One option, per-

haps, besides taking it completely out of the profit system would be for an urban land grant such as we had in the 1860's, in terms of a rural land grant, whereby the Federal Government would buy up large, dilapidated sections of the central city, and then if a person, in a sense, as they worked the land, worked in industry, he would erase the land cost after X number of years, and he would merely be paying for the cost of his house on that land. Would you have any response to a suggestion like that?

MR. FUNNYÉ. I think that's very interesting. I think certainly this is one of the things talked about, and you're right—taking it completely out of the profit system is a more radical approach, and perhaps we wouldn't get it for a long time. But if we proposed it seriously, we probably would end up trying something like you suggest. You know, a complete revision of the tax system in terms of land rights.

I think that's probably the next step. But I don't know if we're going to get to that step until it's gotten across to people that we've really got a very serious problem.

CHAIRMAN HESBURGH. Mr. Funnyé, thank you very much for coming, and I trust we'll be seeing you again toward the end.

Our next speaker is Carole Williams, who will give us a summary of a staff background paper. Miss Williams.

(Whereupon, Miss Carole A. Williams was sworn by the Chairman and testified as follows:)

**TESTIMONY OF MISS CAROLE A. WILLIAMS, SOCIAL SCIENCE ANALYST, U.S. COMMISSION ON CIVIL RIGHTS**

MR. GLICK. Miss Williams, are you a social science analyst on the staff of the Commission?

MISS WILLIAMS. Yes, I am.

MR. GLICK. Are you the author of a paper which I have here called "Demographic, Economic, and Social Characteristics of the City of St. Louis and St. Louis County"?

MISS WILLIAMS. Yes, I am.

MR. GLICK. Mr. Chairman, I ask permission to introduce this into the record.

CHAIRMAN HESBURGH. So ordered.

(Whereupon, the document referred to was marked Exhibit No. 7 and received in evidence.)

MR. GLICK. Miss Williams, have you prepared a summary of this paper?

MISS WILLIAMS. Yes, I have.

MR. GLICK. Will you please present that summary to the Commission now?

MISS WILLIAMS. The city of St. Louis, an area of 62 square miles, has an estimated population of 667,500 for 1970 of which 291,500 or 43.7 percent are black. While the metropolitan area gained in

population, the city has been losing residents since 1950. Between 1950 and 1960, it lost over 100,000 persons; between 1960 and 1970, another 82,500 persons left the city. The loss in total population is primarily a result of the movement of the white population from the central city to suburban areas.

While the white population declined 12 percent between 1950 and 1960, and an estimated 11 percent between 1960 and 1970, the black population increased 39 percent and 36 percent, respectively, for the same periods.

St. Louis County, an area of 497 square miles, has an estimated population of 1,055,100 for 1970 of which 43,000 or 4.1 percent are black. The population density in St. Louis County was 2,122 persons per square mile compared to 10,766 persons per square mile in the city of St. Louis. The county population has increased rapidly in the last two decades, as you can see from the first chart at the left of the stage.

In 1950, the county population was a little over 400,000; by 1960 it had increased to over 700,000. Until the last few years there was almost no movement of black persons into St. Louis County. In 1940, 12,309 black persons lived in St. Louis County. The number increased to 16,819 in 1950, and to 19,007 in 1960.

The movement of black persons into St. Louis County has been concentrated in certain areas. This is evident from the increase in the percentage of black children enrolled in certain county school districts. While the percentage of black children enrolled in a school district does not equal the percentage of black residents in a community, it can give an indication of the growth of the black population in the community.

In the 1965-66 school year, of 25 school districts, only four were more than 10 percent black—Kinloch, Wellston, Maplewood-Richmond Heights, and Webster Groves. By the 1969-70 school year, eight districts were more than 10 percent black. Those which had experienced the most rapid change between the 1965-66 and the 1969-70 school year included University City which increased from 3 percent black to 32 percent black; Wellston, from 47 percent black to 90 percent; Normandy, from 2 percent black to 17 percent, and Berkeley from 7.6 percent black to 15.6 percent.

Further indication that the black population is not dispersed throughout the county is shown by the fact that in 12 school districts, less than 1 percent of the students are black.

The unemployment rate for the St. Louis metropolitan area was 2.9 percent in 1966. The unemployment rate in the North St. Louis ghetto where 80 percent of all black persons in the city lived, was 12.9 percent.

One reason for the high unemployment rate for black persons in the city has been the effect of the movement of jobs from the central city to suburban areas. While the St. Louis metropolitan

area has experienced an overall pattern of economic growth in recent years, the growth of employment opportunities has been primarily in St. Louis County. Between 1951 and 1967 the number of jobs in St. Louis County increased five times, while the number in the city declined by 20 percent, as indicated by the second chart at the left of the stage.

The total number of persons employed in the county during this period, rose from 42,621 to 218,009, an increase of more than 17,000 new jobs; while the total number of persons employed in the city fell from 419,813 to 337,067, a loss of over 80,000 jobs.

The principal industries contributing to the shift have been manufacturing and trade. These industries are the biggest employers of blue-collar workers. The areas in which the city has increased in employment—principally finance, real estate, and insurance, and services—are white-collar employers.

This shift in job structures has affected black persons more adversely than whites because black persons are concentrated in blue-collar jobs, but live in the central city, physically separated from the new job market.

In competition with the central business district of St. Louis are an increasing number of suburban trade establishments, such as shopping centers and chain stores, which offer a good source of jobs for relatively unskilled workers.

A survey of three suburban shopping centers—Northwest Plaza, 14 miles from downtown; Ballwin Plaza, 24 miles from downtown; and Normandy Shopping Center, 7½ miles from downtown—presented a negative employment picture for black persons in suburban areas.

In Ballwin Plaza there were 238 employees in 23 establishments; only seven, or 3 percent, were black. Of these seven, five held low-level jobs, such as utility clerk or security guard in a supermarket.

In Northwest Plaza, 58 establishments were surveyed, with a total of 669 full- and part-time employees. Larger chain stores were not included. Of this total, 51, or 7.6 percent, were black. Of the 51 black employees, over half, 27, were employed as janitors, maids, porters, or kitchen help.

Normandy Shopping Center is located in an area which has experienced an increase in black population in recent years. Nevertheless, of 199 employees in 15 establishments, large chain stores not included, only 12, or 6 percent, were black. Seven of these held positions as dishwashers, porters, stockmen, or cooks.

Large chain stores tended to hire fewer black employees in their suburban branches. For example, Stix, Baer and Fuller employed 314 black persons out of a total of 2,155 employees, 14.6 percent, in their downtown and service store. In their St. Louis County branch stores, only 7.6 percent of their 2,328 employees were black. Over half, 55 percent, of these black employees were service workers.

The J. C. Penney Stores employed 416 persons in four city stores; 75, or 18 percent, were black. In St. Louis County stores, they employed a total of 1,128 persons. Only 29, or 2.5 percent, were black.

The Famous Barr Department Stores operate four stores in St. Louis County, and four in the city of St. Louis. The city stores and service center have a total of 4,232 employees of whom 478, or 11 percent, are black. Of the 1,498 persons involved in sales, 150, or 10 percent, are black. In the county stores, there are 3,575 employees; 282, or 8 percent, are black. Of the 2,341 sales personnel, only 98, or 4 percent, are black.

The Sears Roebuck Stores employ 1,341 persons in their two city stores and credit center. They employ 284 black persons, 22 percent, in these stores. In their two stores in St. Louis County, 2,105 persons are employed, of whom 103, or 4.8 percent, are black.

St. Louis County has 12 industrial districts. Employment data for selected large industries within each district indicate that the Pagedale-University City-Wellston District, which is located adjacent to the St. Louis city limits, and is an area with a substantial black population, employs proportionately more black persons than the other districts most of which are located further out in the county.

In a Commission survey of the 1968 Equal Employment Opportunity Commission data, it was determined that the Pagedale-University City-Wellston District employed 5,618 persons, of whom 1,078, or 19.2 percent, were black.

The percentage of black persons employed in other districts ranged from 2.9 percent to 13.8 percent. Included in several of the other districts were some of the largest manufacturing companies located in the county, a fact which did not significantly affect the total percentage of black employees.

CHAIRMAN HESBURGH. Thank you very much, Miss Williams.

Our next set of testimony is going to have reference to employment opportunities for black persons in suburbia. We are going to have one speaker, and then a recess of a few minutes.

So our first speaker will be Mr. Donald Whitworth, an inner-city resident who works in St. Louis County.

Mr. Whitworth, would you come to the stand and take the oath?

(Whereupon, Mr. Donald H. Whitworth was sworn by the Chairman and testified as follows:)

**TESTIMONY OF MR. DONALD H. WHITWORTH, ST. LOUIS, MISSOURI**

MR. GLICKSTEIN. Mr. Whitworth, would you please state your full name and address for the record?

MR. WHITWORTH. Donald H. Whitworth, 5863 Selber Court, Apartment 3-F, St. Louis, Missouri.

MR. GLICKSTEIN. And how long have you lived in the city of St. Louis?

MR. WHITWORTH. All of my life—25 years.

MR. GLICKSTEIN. Did you go to school here?

MR. WHITWORTH. Yes, I did.

MR. GLICKSTEIN. And how far did you get in school?

MR. WHITWORTH. High school education.

MR. GLICKSTEIN. You graduated from high school?

MR. WHITWORTH. Yes, I did.

MR. GLICKSTEIN. Where did you go after high school?

MR. WHITWORTH. Four years into the United States Air Force.

MR. GLICKSTEIN. And then you returned to St. Louis?

MR. WHITWORTH. Yes, I did.

MR. GLICKSTEIN. Is the place that you're living in now an apartment that you're renting or a house?

MR. WHITWORTH. It's an apartment that we're renting.

MR. GLICKSTEIN. And how much rent do you pay for your apartment?

MR. WHITWORTH. \$120 a month.

MR. GLICKSTEIN. What sort of neighborhood do you live in? What is the racial composition of the area and the quality of the housing in the area?

MR. WHITWORTH. The racial composition is virtually all-black. It is an inter-racial area, so to speak, in that there are a couple of inter-racial couples living in the apartment complex. But it is a new complex on the northwest corner of St. Louis, near the boundaries of Pine Lawn.

MR. GLICKSTEIN. Are you interested in purchasing a home, or are you satisfied with being a renter?

MR. WHITWORTH. I had been interested in purchasing a home. I am not content with being a renter, and 8½ percent interest is not encouraging me any on the G.I. loan. It has been one of my desires of not wanting to buy a home at this present time.

However, I have a basic humane desire to want to buy a home, because of my family.

MR. GLICKSTEIN. How many children do you have?

MR. WHITWORTH. I have one child.

MR. GLICKSTEIN. One child. Where do you work, Mr. Whitworth?

MR. WHITWORTH. I work at the Chrysler Missouri Truck Plant in Fenton, Missouri.

MR. GLICKSTEIN. And how long does it take you to get from your home out to the Chrysler plant in Fenton?

MR. WHITWORTH. Depending on traffic, and climatic conditions, it would take me anywhere from 30 minutes to an hour.

MR. GLICKSTEIN. And it takes you about the same time to get back at night?

MR. WHITWORTH. Yes, sir, it does.

MR. GLICKSTEIN. What does it cost you to commute to work?

MR. WHITWORTH. Anywhere from \$25 to \$40 a month.

MR. GLICKSTEIN. Wouldn't it be more convenient for you to live out in Fenton, right near the plant?

MR. WHITWORTH. It most certainly would. If I lived out in Fenton, I could almost virtually walk to work. And you couldn't get more convenient than that, I don't think.

MR. GLICKSTEIN. Have you considered moving to the area?

MR. WHITWORTH. No, I haven't.

MR. GLICKSTEIN. You haven't given any thought to buying a house in the Fenton area?

MR. WHITWORTH. I have given it thought, but then I have kicked the thought down in my mind.

MR. GLICKSTEIN. Why have you done that?

MR. WHITWORTH. Well, I've done it for a numerous amount of reasons, and they all relate to me as an individual, to me as a black man, and basically it is related to my family.

On talking to friends and knowing other people that I am closely related to who are black, young couples like myself, who have had the desire to want to move out into communities such as that, closer to their county jobs, we have found in inquiring about such places that you are virtually discouraged by the real estate company, by possibly the person who's selling the home.

I grant you, all this is word of mouth. None of us could prove it, as far as documentation or documented evidence we could not prove it.

But we are discouraged from doing this in all forms. Not the direct discrimination, saying blacks cannot buy this home, or blacks cannot live in this county. Not the cross-burning or the night riders. There's nothing that direct any more. It's on an indirect stage.

I personally feel that if I did move into a community such as Fenton or the surrounding areas of Valley Park, or Union, Missouri, or Jefferson County, Washington County, that my daughter would possibly, being 6 years old and in the first grade, would probably be subjected to a racial harassment by her white counterparts; and my wife's social atmosphere while I was at work, because surely, if I moved in that neighboring area, she probably would have to give up her job in the city.

MR. GLICKSTEIN. Well, it would be much more convenient. Wouldn't you be prepared to attempt to be a pioneer, to move out there and —

MR. WHITWORTH. As an individual, being a pioneer doesn't frighten me at all. In fact, it encourages me. But let me say this: In that respect—and I'm thinking in the respect of fear, happiness for my family, and what have you—in that respect I would be selfish, I feel, if I was to take on the venture. I would be showing everybody, look how big Don Whitworth is; he's going out there and showing them that he doesn't care. He's glad to be there. And he's going to really strive to show that we can overcome.



But what's happening to my wife and daughter in the meantime? This is my prime concern. And I do believe that in some form they would be in an environmental—mental and social jeopardy, when my presence was not merited.

MR. GLICKSTEIN. In other words, your concern about moving to the suburbs is not because you personally sought a house and been rebuked, but because of the impression that you get from talking to fellow black workers and friends?

MR. WHITWORTH. Most certainly. And if I might also add, most recently a friend of mine that was over at my home on New Year's Day had recently inquired about a house in South St. Louis. Now this wasn't to get closer to his job. But he had finally decided to stop renting and he said that an old, white, Jewish couple had decided to sell their home. He went directly to them and talked about it. Everything was satisfactory, as far as the individuals. He even asked: "Do you mind selling me the house because we're black?" He says: "No, I'm looking for the money; I'm not looking for who is buying it."

And upon going to the Realtor, the man tries to tell him: "Oh, you don't want that house. It's this, it's that." Now, why would a real estate company want to discourage a sale? Other than for racial balance, or racial quota, so to speak?

MR. GLICKSTEIN. And you have the impression that if you actually sought a house, you would be subjected to the same sort of situation?

MR. WHITWORTH. Possibly. And let me also add that all racial discrimination that me and people like me get is not in the same form. It's in different and varied forms, and I guess that's the reason the Commission exists. Because it's in different and varied forms. I may get it in the form of the price I would have to pay for the home. I've had some friends that have gone to even rent town houses out in St. Louis County, and I couldn't give you names of town house developments, so to speak. But the methods that they have tried—they have sent so-called white friends out in order to inquire about these houses, and given their white friends the same family statistics that they have, and inquire about it—get the price, the layout; and then they come back within the next week or month or so, and get a different set of dollar values.

MR. GLICKSTEIN. How long have you been employed at the Chrysler Company?

MR. WHITWORTH. I have been employed there for about 3 years and 3 months, now.

MR. GLICKSTEIN. Was this the first job that you took after returning from the Air Force?

MR. WHITWORTH. In a manner of speaking. I worked briefly at the U.S. Post Office downtown. But for all practical purposes, this would be the first job after service.

MR. GLICKSTEIN. And you've stuck with it for quite a while?

MR. WHITWORTH. Yes, I have.

MR. GLICKSTEIN. What kind of work do you do?

MR. WHITWORTH. I'm a production control follow-up man, which actually engrosses an area of insuring that there are the proper production parts available in order to insure daily planned production, and my basic responsibility is that. And I do it by coordinating with our Detroit plant, which is our control location, and follow up on shipments to and from the plant that are needed in daily plant production.

MR. GLICKSTEIN. Sort of keep track of the inventory?

MR. WHITWORTH. So to speak; yes, sir.

MR. GLICKSTEIN. And I gather this is a white-collar job? Is that correct?

MR. WHITWORTH. Yes, it is.

MR. GLICKSTEIN. And you are in a salaried group at Chrysler?

MR. WHITWORTH. Yes, general salary.

MR. GLICKSTEIN. How much do you earn there?

MR. WHITWORTH. I earn approximately, now, in round figures, \$164 a week.

MR. GLICKSTEIN. Are there other black employees at the Chrysler plant who have higher-level white-collar jobs than you do?

MR. WHITWORTH. That I know of, there's only one; Mr. Robert Thomas. And I believe he's a material control engineer. And I believe he's a couple of grade steps higher than I am. However, that is not in the management stage.

MR. GLICKSTEIN. But in management, are you the highest level black employee?

MR. WHITWORTH. Well, let me say this: Chrysler splits their employment status up in three groups. I am general salary, and not management. There are separate management levels. And the only way you can be in a management level with Chrysler is to be in a supervisory capacity, so to speak. So I am between the devil and the deep blue sea as far as employment goes. I'm not union, but then again, I'm not management.

MR. GLICKSTEIN. Would the clerical force be in the same category? Secretaries and so forth?

MR. WHITWORTH. Yes they would.

MR. GLICKSTEIN. How old are you, Mr. Whitworth?

MR. WHITWORTH. Twenty-five.

MR. GLICKSTEIN. Are you hopeful of making a career with the Chrysler Company? Do you think you're going to get promoted, advanced —

MR. WHITWORTH. No, I don't. I doubt that very seriously. If I do, it will be on longevity. I doubt if I will be promoted on the basis of merit alone. I'm almost certain of that, based on conversations that I have had with my superiors.

MR. GLICKSTEIN. Why is this?

MR. WHITWORTH. First of all, because of their methods. Not only in race alone—I don't want to just confine what I'm saying to race alone—some of the promotional methods that I have observed at Chrysler have been after the merit, after the ability, a man's outside status is taken into consideration. Say if I was white, if I was 25 years old like I am, and say my white counterpart was 30 years old. We both did our work equally as well; he had three kids, I had one. He was buying a home, I was renting. Odds are, from what I have observed around there, that the 30-year-old man, and the more domestic bag—if you'll excuse my slang expression—would receive the promotion.

Now, to bring the situation into a worse status, I have to be black, on top of this. I use the term "have to"—well, I am. But this is even double jeopardy, so to speak. And I'm not saying this in a humorous tone at all, because I am far from being funny up here.

But to be young is being discriminated against there anyway—the young. And to be young and black, it's got to be double jeopardy. And based on the fact that merit is taken into consideration technically only after 42 months of service there, I doubt very seriously if I'll ever be promoted on merit alone.

MR. GLICKSTEIN. Yes, but unfortunately, someday you're going to be old. At that point do you think you'll have opportunities to move ahead in the plant?

MR. WHITWORTH. Yes—now let me say this. My parents are in their late 50's and early 60's, and my stepfather is making possibly the best salary he's ever made now. But in a sense he's enjoying life less. Where I'm at the state where I'm enjoying life more. I'm speaking on behalf of my generation now, is that okay, I'd like the raises when I'm 40 years old or 45 years old. I will appreciate the raises. It'll be about three or four kids later, and maybe a \$25,000, or \$30,000 house later, but then I'll need every bit of that raise to exist then, won't I?

This is the principle that I'm talking about. I don't want to be promoted based on how hard somebody else had it, my supervisors had it, before me. And, basically, when I go in to inquire why I wasn't considered for a promotion on a particular job or something, this is what I hear: "Well, let me tell you how I made it without a college education." Or, "Let me tell you how hard it was for me to make it." And I made it by just my merit alone.

And my only retaliation to a comment like this—"Even when you walked up to the employment office, nobody knew whether you were Jewish, Greek Orthodox, Irish or what have you. But when I walked in the employment office, they knew what I was before I came there." You see?

And this is a disadvantage that I started out with on that job. I've had to overcome personal difficulties there—not as far as "Don

Whitworth, you can't do this because you're black," but to come up with ideas that I felt were acceptable, to see them kicked down; to be verbally reprimanded for not wanting to stay there overtime when I've seen white counterparts that had personal things that they wanted to do leave there—and these are all things that I couldn't prove. These are things that stay in the memory of me, and in the memory of my supervisors, too. And it will reflect over a period of time the fact that I am not a yes man, and that I am a black man. It will reflect over a period of time as far as promotional opportunities go.

MR. GLICKSTEIN. And you think that part of this problem that—you've spoken about a few elements of the problem—but part of this problem is the fact that you're black?

MR. WHITWORTH. Yes, sir.

MR. GLICKSTEIN. What are the relations between black and white employees at Chrysler?

MR. WHITWORTH. The relationship—the social-like relationship, or working-like relationship, couldn't be better. We carry on a very—in my department—I can only speak for my department now on that status—is beautiful. You very seldom hear people hollering at each other, or what have you, or hear any animosity going on. But the basic relationship between workers couldn't be better.

But I'm quite sure it will change once you express your personal commitments on certain areas, such as what we're talking about now.

MR. GLICKSTEIN. But within the plant itself, there is no evidence of —

MR. WHITWORTH. No—I mean within my area. Within the plant, in the production area, all you would have to do was to go to the men's latrine, and that will tell you the story. When you see the writing on the wall.

This is another reason why I wouldn't want my wife or daughter living out in Fenton and surrounding areas, because of the individuals that work in production. They write such phrases on the latrine walls—I mean very juvenile—"Mrs. Martin Luther King is a black widow." I mean this is what the guys on the floor have to put up with. Fortunately, I don't have to use the same rest facilities that they use.

But this is the caliber and the character of the individuals that they have to put up with. And all types of racially-inclined, vulgar expressions, written on bathroom walls and just as dirty as you can get about it.

And they remedy this by painting the bathroom walls about every other month.

MR. GLICKSTEIN. What are your hopes for the future, Mr. Whitworth? Do you think that you're going to be able to some day have

a house in the suburbs, with a back yard and garden for your wife and child?

MR. WHITWORTH. Well, let me first of all say that I, personally—and I guess this is what you want to get—am not overly impressed by the two-car garage, and green grass and back yard. I take peace of mind, first-hand. Now, if I can get this and be insured peace of mind, then I want it. Yes, I want it. And I'll work towards it. And I'll work hard. And overtime and two jobs, if necessary.

But if I cannot have peace of mind and see my family happy with it, then I don't want it. I'll continue the rent.

MR. GLICKSTEIN. Do you think there are hopes that some day you will be able to find such a situation where you will have peace of mind?

MR. WHITWORTH. No, I don't.

MR. GLICKSTEIN. Well, what do you view as the status of relations in general between blacks and whites?

MR. WHITWORTH. I think it will always be—during my lifetime—I think possibly my daughter will envision it later—but my generation happens to be pioneering it, and getting out of the Uncle Tom type attitude that we term it, and trying to do something about our bad situation, so to speak; I think it's going to improve. I don't think I'm going to reap the benefits of it. I can insure a good life for my daughter and any children that we might have thereafter. I can insure a good life for her, as best I can. But I don't think I'm going to thoroughly enjoy it, because we're still at the phase—and it's recognizable as all—you know what—that a lot of good things that are done are done in forms of tokenism, and not out of sheer generosity or appreciation for the person at point.

Promotions, selling a home—it's not done just for: "Okay, you've got the money. You can buy it." It's done in a fashion; "Well, let's see now; we've got three blacks here. Let's space them out." You know. Just like black office workers where I work. They're strategically placed. If you walked in, it would look beautiful. And we're what you call "window-dressing Negroes".

MR. GLICKSTEIN. Over the last few years, has your attitude toward white people changed in any way?

MR. WHITWORTH. Yes, it has. And it's hardened.

MR. GLICKSTEIN. In what respect, and how, and why?

MR. WHITWORTH. It's hardened to the point, at certain times, to near violence as an individual. Because now, more so than before, I see why I am in the condition that I'm in. I see why other black people that are not doing as well as me, and believe me, I'm doing well in comparison to most black people. They think that I'm doing something, just because I have on a shirt—you know, and a tie.

I get emotionally hung up on this. I guess you can see that. But I don't see any big changes coming through in the near future, really. And the reason I have hardened so is that I see why these

things are happening. I see why my father, who was a Pullman porter, and my step-father who is a waiter, even though they did good with those jobs and took what they had, I can see why they had to take those jobs, why my father, up until he was 51 years old, had to be subjected to "boy," and "son" and what have you. And my step-father with the like. And I see why this is happening now, whereas before, as long as I had a meal in front of me every day, I was happy, and I was told never to trust a white man, or something like that, but never to hate the white man.

But now that I am seeing why this is happening to me, the people that are causing it, the people that have the power to change it but won't change it because of their own political convictions—and you take care of me, I'll take care of you, Bob type attitude—well, it's instilling a hatred in me. And the only thing that bothers me about it is that my personal feelings, and my personal hatreds that I'm trying to hold back—believe me—honestly, I am—I'm afraid that they're going to wear off on my kids if I don't watch myself. Because I am seeing why all these things are happening now. The problems that the gentleman before me spoke about, about housing—taking one model area and making that right in the middle of the slum—you know, just so we can go down and take pictures of it and say: "Look at this, they're all living together—happy. Look how beautiful it is." And then right around it, everything is deteriorating.

Now he made a good point, but I'm telling it more from a personal view. Whereas he spoke from a round-about view.

And believe me, I think I speak on behalf of most black people my age that are in the same domestic status that I'm in.

MR. GLICKSTEIN. Don't you feel that this country in the last 10 or so years has enacted some very significant laws to deal with some of the problems?

MR. WHITWORTH. Yes, sir. But can laws—well, I don't mean to ask you a question, I shouldn't be asking you; but laws don't change hearts, you see. You can enact all the laws—I can remember in 1957, I couldn't go to the Fox Theatre—I remember that very vividly, because I was about 13 or 14 years old. I never forget things like this. And this was in the city of St. Louis. Now this is the same city that now these people that wouldn't let me in their theatre, they've got their own theatres out here in Fenton somewhere, see?

These laws—the laws help, yes. Now I can walk in and if they say: "Well, we don't want to serve you." I can say: "Well, you'd better serve me." But I haven't changed this man's heart about me, you see? Now he may have some governing power over another black man in some other aspect. And this is the problem. You can have all the laws that you want, but if they are not properly enforced and if they're not carried out by heart, word, and deed, rather than by: "Well, we'd better go ahead and take care of this boy before he

makes trouble," well, then, it's not done in a sincere effort. And this is the reason I don't think I'm going to see it in my lifetime.

MR. GLICKSTEIN. Thank you, Mr. Whitworth. I have no further questions, Mr. Chairman.

CHAIRMAN HESBURGH. Mrs. Freeman, do you have any questions?

COMMISSIONER FREEMAN. Mr. Whitworth, do you know how many of the employees at Chrysler, in the area, live in Fenton? Or in the area nearby?

MR. WHITWORTH. No, ma'am. I couldn't give you any statistics on the employment status out there.

COMMISSIONER FREEMAN. Do you have an opinion that these persons who reside near the plant, that this attitude that you have described represents the general attitude of the community around the plant?

MR. WHITWORTH. Yes, ma'am, I do. However, if I may re-emphasize, I don't think they would admit it to me, as an individual, no more than an employer or a supervisor would say: "Don Whitworth, I didn't promote you because you were black," when I ask them that. I don't think they would openly admit that to me, as an individual. But in private conversations I'm sure that it constantly exists.

And also, if I may elaborate, Mrs. Freeman, a great deal of the office workers I know personally, that I talk to every day, they know the St. Louis area better than you and I. And this is evident that they were running away from something. It couldn't have been a bad life, because it couldn't possibly be a bad life in St. Louis, as it was. But they were running away from something, and I suspect that I'm one of the reasons.

COMMISSIONER FREEMAN. Could you tell me if these persons would include any of the supervisors of the plant?

MR. WHITWORTH. Yes, ma'am; I'm quite sure they would.

COMMISSIONER FREEMAN. You have indicated that you believe that you're sort of at the top of where you're going?

MR. WHITWORTH. Yes, ma'am.

COMMISSIONER FREEMAN. About how many positions are higher than the grade which you are?

MR. WHITWORTH. Well, there are numerous amounts of positions that are higher there. I couldn't begin to count them. I'm not trying to be sarcastic, believe me, but all the way up to chairman of the board of Chrysler. Once you're salaried, on paper, your limitations are limitless.

COMMISSIONER FREEMAN. Do you know of any of the positions that are higher where the educational qualifications are the same as those you already possess?

MR. WHITWORTH. No, educational qualifications do differ throughout the plant. Now, basically, on my education and on my present job experience and previous, outside of this job experience, possibly, right now, unless I self-educated myself or went to a night school

or something, about the furthest I could go right there would probably be production control manager, which is an executive position. But it would still be within the realm that I'm working in, you see.

For me to transfer over into an engineering department or material control department, or data processing department, well, naturally, it would require the specific or design training for those jobs.

COMMISSIONER FREEMAN. Do you know if the company offers any such training that would be available for you or employees similarly situated?

MR. WHITWORTH. Well, the company offers what they call a subsistence program; in case you would like to educate yourself, go to night school, there is an educational assistance program, in which they help you with your tuition and what have you; once you complete the course they rebate you, so to speak, a certain percentage of the amount you had.

There is an encouragement for further educating yourself. That does exist.

COMMISSIONER FREEMAN. And does this carry with it the opportunities for the promotion to the higher grades?

MR. WHITWORTH. On paper it does, yes, ma'am.

COMMISSIONER FREEMAN. Do you know of any case in which the person has received that promotion?

MR. WHITWORTH. No, ma'am.

COMMISSIONER FREEMAN. Thank you.

CHAIRMAN HESBURGH. Dr. Rankin?

COMMISSIONER RANKIN. Mr. Whitworth, your wife also works; isn't that correct?

MR. WHITWORTH. Yes, sir.

COMMISSIONER RANKIN. Could it be that your hunting for a convenient place to live is complicated by the fact that it's hard to find a place convenient both for your wife, close to where she works, and close to where you work?

I'm just—in all fairness, I'm interested in that particular point.

MR. WHITWORTH. Well, your question is merited there, I'll grant you, sir.

Let me state this now: the hunting procedure has now ended for a while. Regardless of race or what have you. The hunting procedure has ended.

However, for a good domestic life, we'd give up her job. There's no problem there. The question is, would she?

COMMISSIONER RANKIN. Yes. That's all I have.

CHAIRMAN HESBURGH. Dr. Horn?

VICE CHAIRMAN HORN. Mr. Whitworth, I was interested in your comments on the housing situation, but I'm afraid I need a little clarification on your comments on the employment situation.

If I heard you right, you mentioned in your own case, the job was



given to an individual who perhaps was 5 years older than you, had two more children than you did, and you admitted that both of you were equally qualified; but you objected, assuming one slot was open, to the judgment being made on that basis.

As I heard that testimony, my reaction was at that point you do not have a case of discrimination in promotion against your supervisors. So what I wonder is—and then as you went further, you said that as far as you know, from your own personal surroundings, that this middle level, between the executives in the plant and the production workers, you felt relations were fairly good among white and black employees. But that what you had observed, and friends had told you, where relations were not good among white and black employees, was in the production part of that plant. Am I correct so far in what I heard you say?

MR. WHITWORTH. I would say it's more an open air of dislike down there than it would be in the office. It's more in the open in the production line that it would be in the office staff.

I wasn't trying to say that everything was hunky-dory upstairs. What I'm trying to say is that the basic working relationship, "Hi, Bob, hi, Joe," and cooperating with individual workers, it's acceptable. I mean there's no, "I'm not going to help you, Don," or "I don't like you, Don," there's none of that, no. I didn't mean to give that impression, if I did.

VICE CHAIRMAN HORN. No, you didn't give me that impression, in terms of your own working.

Now, I wonder; you mentioned that you are not a member of the union. I take it, then, that you were hired directly by the employment office at Chrysler, and have never been a member of the union?

MR. WHITWORTH. Right.

VICE CHAIRMAN HORN. In other words, your promotions would depend strictly on a decision of the Chrysler management, and would not involve Local 110, as I understand?

MR. WHITWORTH. You're correct.

VICE CHAIRMAN HORN. If you have a grievance in your promotions, as a member of this supervisory level, which is nonunion, is there a grievance procedure and process within the corporation that you can follow?

MR. WHITWORTH. My own personal grievance procedure that I have already followed—and that's by asking my supervisor: "Do you have a couple of minutes that I may speak to you?" That's the grievance procedure.

VICE CHAIRMAN HORN. Has he given you that couple of minutes?

MR. WHITWORTH. Yes, he has.

VICE CHAIRMAN HORN. Is there any formal procedure within the corporation?

MR. WHITWORTH. Not that I know of.

VICE CHAIRMAN HORN. Well, that's all I have, except to perhaps suggest that if there are problems in racial relations, from what you say—granted, it seems to be hearsay more than direct observation—they exist more at the production level of the plant than they do at the supervisory level of the plant, as I gathered from your testimony?

MR. WHITWORTH. Well, from the supervisory level, you could not get it direct as far as a supervisor coming up and telling you—I mean no man is going to admit to you that he is keeping you from getting ahead, or wanting to hold you back, or not promoting you, or what have you, and is going to directly admit to you that he is doing this because you're black.

I couldn't prove it. I couldn't prove it to you in a thousand years, as far as direct information. The only thing that I can tell you that it exists, you can believe or disbelieve or think that I'm taking a more impersonal attitude, but it's almost impossible for a black person not to take an impersonal attitude.

Just like we started an organization there about 3 months ago, called "The Black Workers of Chrysler". There were buttons issued for this organization about 2 weeks ago. And the only thing the buttons were, "The Black Workers of Chrysler for Equity," which means for fairness and justice. It doesn't mean to burn the plant down, or anything like that. It says, "for equity". Fairness and justice. This is all.

It was formed basically to protect a lot of the production workers and to unite black workers—period—because they weren't getting any satisfaction from their unions, and being nonunion, I wasn't getting—or any of the other black office workers—wasn't getting satisfaction anywhere.

So we formed—and it's just a unified organization of Chrysler black workers. In the future we'll probably come up with different programs that we feel are committed in the right way, and we have weekly and bimonthly meetings, in order to do something in a more constructive form than just talking about our own personal problems, as it may sound like I'm talking about today.

And I remember the first day I wore that button—last week—it was a silent hush, so to speak, across the office. I didn't have the normal conversations that go on towards me during that day, or the next day. It seems to be a certain fear, which white people need not have, for black people to unite. And the purpose, or the meaning of black people uniting is just the essence that black people have never been united. And when we did this, white attitude immediately started changing—well, they didn't change, they came out more to the open, so to speak—and a lot of whispering, and a lot of "No talking to Don," type attitude, you know.

So I know it exists, but can I prove it to you? No.

VICE CHAIRMAN HORN. Has your organization listed a program yet on which they could approach both the management and the union as to solving some of these problems?

MR. WHITWORTH. We have formed, or voted in, a team of investigators, that consists of about four to five men, whose names I could not quote to you right now, and they have gone to management and—not in the form of, I wouldn't call it, demands or concessions, but a statement of rights that they wish to have, that are equal to their black employees.

There is documented evidence that will be presented to you later during the hearings that will validate some of the discriminatory habits that have existed in the plant—hiring and what have you.

There are many different examples that you're going to find out in the next 2½ days that—

VICE CHAIRMAN HORN. What was the response of management to these requests?

MR. WHITWORTH. We'll get into this.

VICE CHAIRMAN HORN. Did the group—you mentioned that this is a joint group of supervisory, nonunion, and union personnel—did the group also talk to the leadership of Local 110?

MR. WHITWORTH. No, they didn't. Not to my knowledge.

VICE CHAIRMAN HORN. Do they plan to since apparently some of the problems are on the production line?

MR. WHITWORTH. Not to my knowledge. I haven't—within the interunion facets of it, I couldn't tell you what has happened.

VICE CHAIRMAN HORN. Thank you very much.

MR. WHITWORTH. You are quite welcome.

CHAIRMAN HESBURGH. Dr. Mitchell?

COMMISSIONER MITCHELL. Just one question. I think you've covered almost everything else.

Mr. Whitworth, from something you said earlier, I got the impression that you feel that your actions outside of Chrysler can affect your relationships inside of Chrysler. Do you think your testimony here today is going to help you, or hurt you, or will have no effect on your future?

MR. WHITWORTH. I feel it is going to intimidate me. However, to keep the hush-hush attitude, and to be constantly afraid of what I call white intimidation is one thing that we, as black people, have existed on for years. And today I am personally saying that I am no longer afraid.

So I personally feel that I will be affected by it in both salary and possible advancement. But I know I won't be affected by it at home; when I go home this evening I'll feel better about it. But I know I'm going to feel the strings from this later on, when you gentlemen are far gone.

But at least I will know I have spoken my mind for once. And this is what it's all about, gentlemen.

COMMISSIONER MITCHELL. Thank you.

CHAIRMAN HESBURGH. Mr. Whitworth, I have only one question. It's not so simple, and you don't have to answer it if you don't want to, because it's a little personal. But it might help us if you did.

And that is, we keep hearing—I'm talking about "we" white people—keep hearing about, you know, blacks think this way, or blacks think that way, and it's a little unfair, because it would be as unfair as you saying whites think this way, or whites think that way, because you're black and I'm white. And I ought to speak for whites and you ought to speak for blacks.

What I would like you to speak for blacks is, what do you, as a human being, an American, veteran, et cetera, worker—what do you really want from the white community, or the white people—the white community is an abstraction—the white people you meet day in and day out on the street, in the store, in your office—wherever. What do you really want from them? If you could make your own shopping list of the things that you, as a human being, really want from the white community, as you meet the white community?

MR. WHITWORTH. Well, Father, let me answer it first and tell you what I don't want. I don't want a handout.

CHAIRMAN HESBURGH. Okay.

MR. WHITWORTH. What I do want is the same, the exact same opportunities to do what I want to do, within the limitations of the law. I feel that I have earned that right, being a veteran, as you've spoken of, being over 21, paying my taxes—I feel that I have earned every right to do anything I want to do within the limitations of the law. That is all I want.

And I feel that if I don't do my job in a satisfactory manner, I deserve a chewing. If I do my job in an exemplary manner, which in the eyes of some I may have and in the eyes of some I may haven't, I expect to be rewarded, or not rewarded, or reprimanded for it.

I don't expect any favoritism because I'm black. I don't expect any 400 years of reparations—I don't want that. You couldn't pay back what those 400 years have done. You couldn't possibly do it. You couldn't even chart it on a diagram such as this. So it's ridiculous for me to even demand that.

The only thing I'm asking and demanding as an individual black man is just the right to do what you do. And that's all. No more, no less.

CHAIRMAN HESBURGH. Do you feel you've got this kind of equality in the service, in the 4 years you spent in the Air Force?

MR. WHITWORTH. It was there, because military laws are much different than those on the outside, Father, and there are certain

restraints that a person may go to in the military and get caught at it right away; whereas he could do it on the outside.

And a lot of black men have found a haven in the military because they've been more equal there, promotional opportunities have been better, and they can reach top grade NCO status, or maybe field grade officer status. And this will give him a certain amount of personal prestige, doing the job, yes, sir, no, sir, salutes, and how are you doing, Sergeant. And this is the reason that a lot of black men have found a haven in the military. But it doesn't exist on the outside.

CHAIRMAN HESBURGH. One last question. This is really the last one.

From just a strictly human point of view—you say you want equal opportunity from the white community as you meet them—your employers, the people you deal with in buying a house or a car, whatever—but from a human point of view, as person to person, what do you expect from the white man you meet? I mean in the way of respect or feeling, or whatever? I mean, is there—I think this is a very important question. Maybe I'm not phrasing it very well.

MR. WHITWORTH. You're phrasing it—I get your point, Father.

CHAIRMAN HESBURGH. Okay.

MR. WHITWORTH. I expect to give what I get, and get what I give. Is that a good way, sir?

CHAIRMAN HESBURGH. It's a good way. You respect them, they respect you; you're honest with them, they're honest with you; you do a good day's work, they —

MR. WHITWORTH. There's a term I have used to some of my white associates when they ask me: "Don, are you prejudiced?" And I've told them that I'm as prejudiced as you are. And I've let the conversation hang right there. And that's virtually the same thing.

CHAIRMAN HESBURGH. Well, we appreciate very much, Mr. Whitworth, your testimony. You've been very honest and frank with us. And it's my hunch that, because you've been honest and frank and spoken out as you felt you should in your heart, that I would be very surprised if you had any repercussions of this, economically, from this. I think your employers might even be proud that you got up and said what you said. You might even get a promotion out of it. Thank you very much.

MR. WHITWORTH. Thank you.

CHAIRMAN HESBURGH. We're going to adjourn for 10 minutes only.

CHAIRMAN HESBURGH. Ladies and gentlemen, we're coming back into session now.

Our next witness is Mr. Charles W. Swartout, vice president and general manager, personnel division, Mallinckrodt Chemical Works.

(Whereupon, Mr. Charles W. Swartout was sworn by the Chairman and testified as follows:)

**TESTIMONY OF MR. CHARLES W. SWARTOUT, CALVERTON PARK, MISSOURI.**

MR. GLICK. Mr. Swartout, would you identify yourself for the record, please, your name and address.

MR. SWARTOUT. Yes, I'm Charles W. Swartout. I live at 217 Calverton Road in the village of Calverton Park. I work for the Mallinckrodt Chemical Works, where I am vice president and general manager of the personnel division.

MR. GLICK. Thank you. Could you tell us briefly what the nature of the Mallinckrodt Chemical business is?

MR. SWARTOUT. Yes, Mallinckrodt is an old company, being about 103 years old. From the time of its founding, it has concentrated on the production of high-purity chemicals, spread about equally between supply to the medicinal industry and high-purity industrial chemicals.

More recently it has embarked on a program of getting to be a pharmaceutical house itself, with supply of dosage forms to patients and wholesale druggists.

MR. GLICK. Where is the major production facility of the company located, Mr. Swartout?

MR. SWARTOUT. The main plant, since its founding, has been at St. Louis, located on the north side of the city, at the foot of McKinley Bridge, 3600 North Second Street. Our installation there employs about 1,700 people, out of a total of approximately 2,800 for the entire corporation all over the country.

MR. GLICK. Thank you.

Mr. Chairman, I would like to introduce into the record a chart showing the employment statistics of Mallinckrodt Chemical Works, which has been supplied to us by the company.

CHAIRMAN HESBURGH. So ordered.

(Whereupon, the document referred to was marked Exhibit No. 8 and received in evidence.)

MR. GLICK. Thank you.

Mr. Swartout, the figures that you have given to the Commission indicate that in the St. Louis plant of the company, there are only 98 black employees, out of a total of 1,608, and that's approximately 6 percent—6.1 percent.

Could you offer an opinion as to why the company has such a low black employment rate?

MR. SWARTOUT. Yes, I believe so.

Back in '54 and early '55, the company embarked on a voluntary

program, under the then President Eisenhower Commission, of encouraging and hiring black employees. Up to that time they had been mostly in the janitorial-porter category, and in relatively small numbers.

Substantial progress was made with an indoctrination program, and the actual hiring of a considerable number. But they were all most recent employees in what were then two plants—the Atomic Energy plant and the main plant of Mallinckrodt—main commercial plant. And when that Atomic Energy plant was closed down by the Government, all of the most recent employees were laid off by reason of seniority.

So we had to start again, early in '58, on the program, when we began hiring again. And so our program is really only a little over 10 years old—about 11 years.

In that time—I think I have more recent figures than those that I supplied to you—we currently have 114 at our St. Louis plant, but you are correct that it's now only 6.6 percent.

We are making progress; in the last year we have purposely forced the hiring to make this more equitable on the overall balance, and of the 120 employees in the last year, 50 of those were black, 70 were white.

MR. GLICK. Have you undertaken a special kind of recruitment program, or something of that nature?

MR. SWARTOUT. Yes, we have taken part in the NAB program for the severely disadvantaged. But in addition to that, on our regular employment we have tried to emphasize the hiring of minority groups. In this connection, we have had three different training programs—one for hourly people, one for technicians, and one for secretarial people—run separately, to bring disadvantaged personnel up to the point where they would meet our entering requirements.

MR. GLICK. I understand that Mallinckrodt is now planning to build a facility outside of the city. Would you want to describe that for us, please?

MR. SWARTOUT. Well, actually, in the St. Louis metropolitan area, we have three installations. By far, the largest is the one I mentioned, at 3600 North Second Street, with some 1,750 employees.

A second installation is at a suburb called Maryland Heights, which is just about due west of us here, out Page Boulevard, where we have some 150 employees. We have also started a new corporate center at the intersection of Interstate 270 and Brown Road, which is on the—a little northwest of the airport. That was started because we have just outgrown our North St. Louis headquarters, and this new installation at Brown Road will be—is currently our marketing center, employing some 80 people—and it is planned that it will house, over the next perhaps 5 years, two, three or maybe four more buildings, and we will transfer our corporate headquarters, and perhaps our research facilities, to that new installation.

MR. GLICK. What categories of employees will be housed out there? What types of work will they be doing?

MR. SWARTOUT. Generally they will be the people associated with the commercial end of the business, the people in business administration, accounting, finance, computer—marketing is already there, and we also anticipate that our research people would be there, both the chemical research and the pharmaceutical research.

MR. GLICK. Do you think it would have been possible for the company to build a facility to house these categories of people in the city?

MR. SWARTOUT. It was possible. We have approximately 10 city blocks in North St. Louis, and, as I mentioned earlier, when the Atomic Energy plant was closed, as a part of the decontamination of that plant and area, some of it was demolished and removed. So that there are approximately two and a half city blocks now available.

Currently those are used for storage of material, but presumably they could have been made available for buildings.

Our feeling was that in a highly industrial area like North St. Louis, on the river front, it was not conducive to the kind of expansion we wanted for research facilities, and for the corporate headquarters.

The area is one where we have many millions invested and will continue to invest, but we look upon it primarily as a plant facility now, rather than as a headquarters.

MR. GLICK. Well, were there some other factors that you felt would make it unwise to build a corporate headquarters in the city?

MR. SWARTOUT. Yes. We really see the summation of all of the problems that have been written about. We see increasingly the evidence of crime in the area, with thefts of employees' automobiles, and this, in spite of the fact that we have purchased property to make new parking lots, fenced them in, lighted them, and so forth. The thefts we found mostly were occurring during the daytime. It is not yet out of control. We think we are on top of the situation, but it does occur.

In secretarial and office help it has become increasingly difficult to hire qualified people, which is not the same thing in the Brown Road installation, but has led in part to the need for upgrading some of the people in our own immediate area in order to qualify for secretarial help.

The last, and perhaps most inconsequential reason, is the matter of corporate image, where it does appear to be better to have a corporate headquarters with green grass around it, and trees and a little pond, than it does to have it in an industrial warehouse type building.

MR. GLICK. When you say "corporate image," that would suggest that you think other companies will have this same kind of concept.



MR. SWARTOUT. We have noticed that is a trend.

MR. GLICK. Now, you mentioned that some 80 employees have been moved to the new Brown Road facility—I believe that was the figure you used. Of that 80, are any of them black employees?

MR. SWARTOUT. None. There are none. Although—and I might mention in this connection, that these jobs were literally transplanted—both the men and the women—from our St. Louis headquarters to the marketing center at Brown Road. So that there was not any change of personnel.

On the other hand, it has now been about a year and a half that we've been out there, and we have tried to hire minority people for our Brown Road installation, and have found it impossible. Several things make this so. Number one, there are no large minority groups in our area out there, with the possible exception of Kinlock, which isn't too far from us.

We have found that no one has been willing to be hired at St. Louis for a job at Brown Road, none of the minority employees. It has even gotten to the point where we have some young women who are very competent secretaries who, upon being asked to transfer, have preferred to stay at the St. Louis plant.

MR. GLICK. Why do you think there is this strong opposition to going to the Brown Road facility?

MR. SWARTOUT. I have tried to inquire into this, as to whether it is the aspect of being a pioneer, as was mentioned by the previous speaker—and I don't believe that is it; at least we didn't encounter that in our St. Louis plant. I think transportation is one easy answer, that there is no public transportation out into these areas of the county.

On the other hand, that tends to fall down because most of our people in the St. Louis plant live in the suburbs and they can find transportation in the other way.

Most of our minority employees live in the immediate area, in the Near North Side, where the population is heavy. I have some indication, but the evidence is still too scanty to draw any general conclusion, that there is a greater reluctance on the black people in the city spending an hour or an hour and a half to go out to the county for employment, than it is the reverse.

It seems to me that our immediate steps have to be to recruit as best we can in the area of our new installation, to see what we can do about transporting workers, and to hope that something is done about the housing conditions in the area.

MR. GLICK. Well, do you think then that the problem will influence your recruitment of professional and technical black employees in the future, for the Brown Road —

MR. SWARTOUT. Yes. The recruitment of technical employees is a very competitive matter. In recruiting at the universities, be they the integrated universities of the Midwest and North, where

we generally do recruit, or whether they are the all-black universities, such as Fisk and Tennessee A&I, there is a shortage of supply. There are many more people who would like to hire these qualified people than there are people to go around.

But those that we do have I think would be hired at a—and we are looking for them—would be hired at a rate where they would be able to afford suburban homes and, in fact, I think they, like the white, would like to work in the more pleasant surroundings of our Brown Road property, as compared to the industrial property.

MR. GLICK. Well, in the event that you are able to recruit people, do you think that they will be able to find decent housing out in the area of the Brown Road plant, or facility?

MR. SWARTOUT. I don't know. All I know is that there are no fair housing laws in any of these municipalities or in the county. I do know that—as one of the staff members pointed out earlier—there is a very small sprinkling in the public schools, but these generally, with the exception of Kinlock, where it's 100 percent, or Berkeley, where I think the figure was 15 percent, are on the order of 1 or 2 percent, in the R-2 School District encompassing Florissant and Ferguson and the other major sources around us.

MR. GLICK. Well, is it the company's policy generally to help employees coming in from outside of the area to find housing?

MR. SWARTOUT. Yes, we have helped—we provide, through our personnel division, help through Realtors and our own personal staff, in finding houses that were suitable for the people coming in. These particularly apply to the so-called exempt personnel, the professional business type supervisory personnel. But those generally will be the kind of jobs we have at the Brown Road installation.

MR. GLICK. In the event that an individual were hired specifically for a job at the Brown Road installation, and a black individual, let's say, and he were to meet some kind of discrimination in attempts to find housing in the area, would the company undertake to overcome this problem in some way or other?

MR. SWARTOUT. We'd do whatever we could.

MR. GLICK. What kind of measures do you think you might be able to undertake?

MR. SWARTOUT. I think we could do measures through the councils of those municipalities, I think we could get the aid of the county supervisor and his office in making—in applying our pressure to see that they did get adequate housing.

MR. GLICK. Do you have any kind of a list of real estate agents whom the company goes to when it has to help somebody find a house?

MR. SWARTOUT. We normally do—I don't have it with me today, but we have such lists.

MR. GLICK. Do you think you would be in a position to require them to sign some kind of agreement —

Mr. SWARTOUT. Not at all. I don't think we would any more than we do on suppliers of chemicals or equipment.

Mr. GLICK. I see.

Turning to a slightly different subject, and returning to the employment picture, Mr. Swartout, the company has had some training programs for the hardcore in the past?

Mr. SWARTOUT. Yes.

Mr. GLICK. And were these Government-sponsored programs?

Mr. SWARTOUT. The first one was. And we engaged, I think it was 13, in that program. And we had many troubles, many problems; mostly ones of frustration in not being able to be more successful, because only two of those are still with us.

The first program involved an 8-week training program, on fundamentals on business facts of life, if you will, on subjects such as reading, writing, office arithmetic or plant arithmetic, but also things like plant equipment—how pumps and centrifuges run.

The failures that we had—and this extended over a period of some perhaps 6 or 8 months—were due to absenteeism and tardiness. Even though we started that program with a very, what we felt, tolerant and forgiving nature, the repeated absences finally made it necessary for us to terminate almost all of them except those few who quit.

I might mention, also, on that first MA-3 program, that the Government formula calls for reimbursement by person, by days they spend on your payroll for the first year—almost all of the training expenses were in the first 8 weeks, so that if anyone terminated after 9, 10, 15 weeks, we got back only a fraction of what we'd already spent.

In the second program, we shortened the period of training and took them immediately, after a 1-week orientation, into the work situation. We tried to make it as indistinguishable as possible that they were hardcore, and had more success; in this case, almost twice the percentage were retained. That was entirely at our own expense.

We still were not satisfied with the results, which was about a 33 percent retention, so we have now started on our third program and I hope that nobody will be able to tell who is hardcore and who is not, because we feel this is a handicap when they're given any kind of special treatment; whether you give forgiveness for work rules, it works to the detriment of their retention, and it sets them apart as a "they" or "them" as contrasted to our regular employees. So we're not taking them in as our regular employees.

Mr. GLICK. But you've chosen not to utilize Government training contracts, but to carry on the program as a company project itself?

Mr. SWARTOUT. That's right.

Mr. GLICK. I see.

I would like to ask you, what benefits will the company get from

this kind of a training program?

Mr. SWARTOUT. Well, first of all, they will tap a bigger labor market because, after all, we do have one of the highest areas of unemployment right practically at our doorstep, and we have had an expanding facility at St. Louis. So we do need people. And this is further accentuated by our anticipated retirements over the next 5 years, which will occur at a reasonably high rate.

So one reason is that it's a ready labor market and will supply our needs.

The second thing is that we just happen to think it's right. We think that it's the right thing for us to do, for us to get our percentage of minority employees higher and to give them an opportunity to work at Mallinckrodt. And I guess in the back of our minds, there's always the third reason, that we would rather anticipate and solve problems before they blow up in our face.

Mr. GLICK. I see. Thank you, Mr. Swartout. Mr. Chairman, I have no further questions.

CHAIRMAN HESBURGH. Dr. Horn?

VICE CHAIRMAN HORN. I was very interested in your testimony. I wonder to what degree was the move to the suburbs caused by any differential in the tax rate of the city of St. Louis and the area to which you're moving?

Mr. SWARTOUT. Very little, although the city—because the city tax rate will hit us about the same. The merchant tax and the property tax will still be there in St. Louis. We aren't abandoning the 10 city blocks in St. Louis. So the tax rate at St. Louis will be imperceptibly changed.

I think it was mostly we're just bursting at the seams, at our St. Louis facility.

VICE CHAIRMAN HORN. Is that also a problem, that it is easier to build on open land, afresh, rather than try to build a new plant on top of an old plant?

Mr. SWARTOUT. It is, although we've been spending about 15 years trying to prove the reverse. We've spent about \$13 million in the last 5 years at our St. Louis facility, as contrasted to about \$1.25 million at the Brown Road plant.

VICE CHAIRMAN HORN. In terms of furthering equal opportunity in employment, have the plant manager and the top executives—have they ever been called together by the plant manager, to not merely get a reaffirmed commitment, say, to rhetoric or company policy, but to change the incentive system perhaps, and the bonus system, as far as the executives in the plant go, to have what an executive gets in bonuses really reflected on what he does to help solve some of these problems of equal opportunity?

Mr. SWARTOUT. I don't think it was ever quite that precise, but let me tell you what we did do.

We—Mr. Thayer, the chairman of the board and president, assem-

bled all of the supervision, from foreman on up, department heads, division managers, officers, and the like—and pointed out that this was our policy. We were hiring them. This was—originally we had a vice president of the company give the talk, back in 1954. More recently, when we embarked on the hardcore, Mr. Thayer gave it.

We have since found that there are certain areas where they stand out like a sore thumb, as being zero minority employees. Two of these are in our acquired plants elsewhere in the United States. And one is in the sales force of our own marketing divisions.

So the approach we have taken is that your performance will be considered satisfactory in 1970 when you have corrected this situation. And that has the effect of what you mentioned earlier.

VICE CHAIRMAN HORN. Now I notice less than half of your employees are under the hourly employment category. Is your plant unionized?

MR. SWARTOUT. The St. Louis—we have several plants that are unionized, including our plant at St. Louis—has the Independent Union of Chemical Plant Workers, and they have about 750 members.

VICE CHAIRMAN HORN. Does your management make the sole decision as to who is hired or who is not hired in terms of unskilled, semi-skilled, or skilled, or does union participate in that hiring?

MR. SWARTOUT. We make that decision.

VICE CHAIRMAN HORN. How about in terms of promotions within the hourly category? Is that solely an executive decision, or do you ask for union judgment and participation, informally or formally?

MR. SWARTOUT. The promotion in the hourly group is determined by a clause in the labor agreement which calls for promotion within the hourly ranks, and then promotion out of them to the rank of foreman shall be by skill and ability; and if they are equal, longevity or length of service, union seniority, will govern.

This always gets to be somewhat of a discussion as to when skill and ability are equal, and the union does, of course, press for union seniority. This has the net effect that we have pretty much freedom to promote when there is about equivalent length of service, but we feel, through the grievance procedure, that we have to be careful about promoting very far out of union seniority.

VICE CHAIRMAN HORN. Have any grievances been lodged, either with the salaried employees or within the hourly employees as to matters of discrimination? And if so, is there a process available to resolve that grievance?

MR. SWARTOUT. I know of no case of a lodging of a complaint about discrimination from among our employees. There was one, which was subsequently dismissed, of someone who had been terminated.

To answer the second part of your question, there is a regular grievance procedure on the union contract, and in the salary ranks

there is recourse—normal planned recourse with the supervisor, and they also I think all know that they have the availability of the personnel division.

VICE CHAIRMAN HORN. Thank you.

CHAIRMAN HESBURGH. Dr. Mitchell?

COMMISSIONER MITCHELL. Mr. Swartout, where is your office?

MR. SWARTOUT. My office is at 3600 North Second Street.

COMMISSIONER MITCHELL. That's in St. Louis?

MR. SWARTOUT. Yes.

COMMISSIONER MITCHELL. Is there a personnel office—

MR. SWARTOUT. We have the first floor of that building.

COMMISSIONER MITCHELL. Do you also have a personnel office out in your new plant, out in —

MR. SWARTOUT. No, we do not.

COMMISSIONER MITCHELL. So you do your hiring and recruiting in the city?

MR. SWARTOUT. Yes, sir.

COMMISSIONER MITCHELL. Do you have presently, or have you had recently, Government contracts?

MR. SWARTOUT. We have some 17 Government contracts right now. Mostly they are for supply of medical supplies to the Veterans Administration—things like ether for anesthesia, phenobarbital and so forth.

COMMISSIONER MITCHELL. I see. I heard you mention, with some interest, your recruiting—students trained in work that you do—I would assume they'd be chemistry majors, or —

MR. SWARTOUT. Primarily chemists, engineers—but also people in the financial, accounting, or business ends.

COMMISSIONER MITCHELL. What would you offer a B.A. in chemistry as starting wage?

MR. SWARTOUT. First of all, we'd offer him the same, regardless of what their complexion was. But, as I remember, it's something like, currently, around \$625.

COMMISSIONER MITCHELL. And a Ph.D. would be, of course, substantially higher?

MR. SWARTOUT. They run \$10,000 to as high as \$12,000.

COMMISSIONER MITCHELL. And people like that would be the kinds of people you would hire for work in your new plant outside the city?

MR. SWARTOUT. Primarily, yes. I might volunteer some information that hasn't been asked.

As opposed, county and city, I think in these hearings the impression has been started, at least, that this is a black versus white. And I think the Commissioners should be advised that this is a kind of traditional status, and rather unique in the United States, in that the city and county separated way back. I think it was 1876.

One other thing I'd like to—and there has been a traditional rivalry—so I think it is not all the overtones of black versus white.

The second thing is that, oddly enough, at our Maryland Heights plant, we have a much higher percentage—like 15 percent black, than we do even in our Near Northside plant.

COMMISSIONER MITCHELL. Thank you.

CHAIRMAN HESBURGH. Mrs. Freeman?

COMMISSIONER FREEMAN. Mr. Swartout, pursuing the point that you made, that it may not be all-black versus white with respect to the city and the county, I would like to know if you could provide for this Commission the number of employees who reside in the county and the number that reside in the city, by categories?

MR. SWARTOUT. I tried to get that information, Mrs. Freeman, before these hearings, and it will require about 2 days work. I'd be happy to have the information developed for you.

COMMISSIONER FREEMAN. That would be all right, if we could get them then. You do have the addresses?

MR. SWARTOUT. Yes.

(The information referred to appears in Exhibit No. 52.)

COMMISSIONER FREEMAN. Looking at a report in which it indicates that you have, of the total professional employees which you have, of 612, eight, or only 1.3 percent are black.

You've indicated that they would be chemists, accountants—what other classifications would they be?

MR. SWARTOUT. I think I have that information. I don't in this book.

We have a microbiologist, an organic chemist, Ph.D., we have a business administration major—most of them are in the research department. There is this one in the business end of the business.

COMMISSIONER FREEMAN. Do you have information about the number of such persons who were employed by your company during the year 1969? If not, could you give that to us?

MR. SWARTOUT. I can get you that information.

(The information referred to appears in Exhibit No. 52.)

If I may, in that connection, we have found, as I mentioned earlier, that the recruiting through the schools is pretty unproductive. We get a fairly low yield. So that we have taken advantage of the services of an organization known as Frank Lockett, with which you may be familiar, that recently had, here in St. Louis, hundreds of black potential candidates for employment, at these higher levels. And they, I think, took over the Sheraton Jefferson for a day and a half. We were there. We interviewed from 8 o'clock in the morning until around 9 o'clock at night, and we think we have some 12 good candidates.

COMMISSIONER FREEMAN. You indicated that your company has been aggressively recruiting blacks recently. I would like the num-

ber of skilled employees you have, 108, of whom only two are black. I would like to know if you could probably give us some further explanation of this very low number?

MR. SWARTOUT. Yes. Rightly or wrongly, we consider the general factory work as unskilled, although it is of a nature that does require some skills. But in our shop, where we have carpenters, welders, pipefitters and so on, we consider that as skilled workers.

The labor agreement is such that there is a bidding into those what are considered preferred jobs. So it's only when an opening occurs that anybody can bid in. We're working with the union, however. We are currently training some blacks to become qualified in that and hope to place them in the skilled categories.

But the opportunities for people to get in there are fairly limited.

COMMISSIONER FREEMAN. The other point that would concern us is not only the unemployment, but the underemployment or lack of promotion. You indicated that at certain periods the largest number of black employees were janitors. I wonder if you could tell us what opportunities did you give these janitors to be promoted? And what opportunities—if you haven't given them—would be available to them now?

MR. SWARTOUT. Yes. We, back before NAB was thought of, this was like about 10 years ago, we established on our own a training program for all of our janitors at that time—I think there were 12 of them. We engaged, on his own time, a teacher from one of the Near North Side high schools, and we had sessions to train them. We supplied all the materials and the instructor, paid for it, to try to train them to take office positions. And this was coincident with a time when we were ready to make a changeover to a contractor for our janitorial services.

The project I would say was medium successful. There were about four out of the 12 that stuck through and went all the way and did get office jobs. The others we found plant jobs for, or retained them on as—in the case of two men—in the day janitor service.

They all started the program of training, some of them, all but about three or four dropped out before the end of the training program.

COMMISSIONER FREEMAN. One final question. As relates to housing, would you provide for the Commission the list of real estate companies that you have used?

MR. SWARTOUT. Yes.

COMMISSIONER FREEMAN. Thank you.

CHAIRMAN HESBURGH. Dr. Rankin?

VICE CHAIRMAN HORN. Could I just ask—you mentioned this bidding procedure on moving people into skilled jobs, and you outlined some of the jobs. How does that bidding procedure work? I wasn't quite clear on that.



Mr. SWARTOUT. The jobs in the, as we call it, the mechanical department, which is really all of the shops, are considered preferred jobs because they are not shift jobs. They are all on days. And their rate of pay is higher. So these are considered as preferred jobs, and in the labor agreement, when any opening occurs, either through a retirement, a quit, death, or by reason of expansion of the shops, that job is posted. And anyone may apply.

VICE CHAIRMAN HORN. It is posted where? Just within the plant?

Mr. SWARTOUT. On the bulletin board, within the plant, yes.

VICE CHAIRMAN HORN. So, in other words, to get that job you have to come up through the ranks for it?

Mr. SWARTOUT. Yes. We very seldom are able to hire from the outside for those jobs.

VICE CHAIRMAN HORN. Is that primarily people moving from skill to skill in the skilled category, or are they moving from semi-skilled to skilled?

Mr. SWARTOUT. They're generally moving from semi-skilled or unskilled, into the skilled category, because at the lower-skill levels, and we have a ratio of the top mechanic, the second mechanic, and the trainee, we have to fill the trainee ranks if we don't have enough of them. We seldom do.

VICE CHAIRMAN HORN. Is any apprenticeship required for that job in terms of the labor-union agreement?

Mr. SWARTOUT. No, but we have agreed with the union to a program of an actual training course, where we send them to the St. Louis schools for an apprentice training program.

VICE CHAIRMAN HORN. But again, just to repeat and get this crystal-clear, it is the company's sole decision, not the union, as to who gets into the skilled job category?

Mr. SWARTOUT. Yes, although it is subject to the grievance procedure, if somebody feels that he's been discriminated against.

CHAIRMAN HESBURGH. Thank you very much, Mr. Swartout. We appreciate your—just one second, I think our Staff Director has a question.

Mr. GLICKSTEIN. I just have one brief question. How much will your Brown Road facility eventually cost? Approximately?

Mr. SWARTOUT. My guess would be it would eventually cost about five to seven million.

Mr. GLICKSTEIN. And it's located in an unincorporated portion of St. Louis County?

Mr. SWARTOUT. Yes. There is one—we have 164 acres out there, and all but about four acres are unincorporated. The 4 acres are in a portion of Hazelwood.

Mr. GLICKSTEIN. In terms of the benefits to Hazelwood, then, and St. Louis County, your company building this facility out there has been a benefit to the county in terms of taxes and —

Mr. SWARTOUT. I believe so.

Mr. GLICKSTEIN. Well, could you have said to St. Louis County before you moved out there, or to Hazelwood: "We are willing to locate the plant here on condition that you enact a fair housing law, or that you very vigorously enforce the fair housing law that you have; and if not, we're not coming?"

Mr. SWARTOUT. I think something like that could have been said. It wasn't said. At the time that we moved there we had three sites under consideration. This was finally chosen as the most advantageous.

Mr. GLICKSTEIN. But if you had said that, would your coming there have been of sufficient benefit to the government involved that they might have gone along with the suggestion?

Mr. SWARTOUT. I think they would have given it consideration. I doubt if the people in Hazelwood who, incidentally, have been very cooperative, would have had that much monetary effect on them. But I think they would have cooperated.

Mr. GLICKSTEIN. Thank you.

CHAIRMAN HESBURGH. Thank you very much, Mr. Swartout. You're excused.

Mr. William L. Terrill, director of the Comprehensive Manpower Program, please.

(Whereupon, Mr. William L. Terrill was sworn by the Chairman and testified as follows:)

**TESTIMONY OF MR. WILLIAM L. TERRILL, DIRECTOR, COMPREHENSIVE MANPOWER PROGRAM, HUMAN DEVELOPMENT CORPORATION, ST. CHARLES, MISSOURI**

Mr. GLICK. Mr. Terrill, please state your name and address for the record.

Mr. TERRILL. William L. Terrill. I live in St. Charles, 2223 West Adams Street, in St. Charles, Missouri.

Mr. GLICK. What is your present occupation, Mr. Terrill?

Mr. TERRILL. Director of the Comprehensive Manpower Program for the Human Development Corporation.

Mr. GLICK. Can you, without giving details on the many different specific delegate agencies, describe the manpower program of which you are director?

Mr. TERRILL. Yes. The Comprehensive Manpower Program is a client-oriented, neighborhood-based, job development, intensive counseling, and placement program for underprivileged individuals of the city and the county.

In addition to job development, placement, we attempt to provide the supportive services that one usually needs when he has been out of employment for a considerable period of time. And that has to do with health services, food stamp—all the other kinds of things that people usually have suffered from in our area. And this, we

think, is the grand part of our program. Jobs alone are not just enough to take care of the problem. You have to give them the kinds of support that will help them to maintain themselves on the job.

One additional point, the counseling to our program is the coaching aspect, where we attempt to help the individual, once he has gotten on the job, to maintain that job, to help him upgrade himself on that job.

MR. GLICK. So the kind of people you are attempting to train in the various programs are what we would describe as hardcore?

MR. TERRILL. Yes.

MR. GLICK. What kind of jobs are the people being placed in after they have completed some form of training or remedial help that they may need?

MR. TERRILL. Basically, the jobs that we've been able to develop at this point have been industrial type jobs.

MR. GLICK. Where are the majority of them located?

MR. TERRILL. In a small sampling that we did just recently, a little better than 900 jobs, they were pretty well split between the city and the county—approximately 50 percent in either direction.

MR. GLICK. Did you find any pay differential between those that the people had taken in the city as compared to those that they had taken in the county?

MR. TERRILL. Yes. Industrial type jobs that pay \$2.50 or more in the county—36 percent of them paid \$2.50 or more. In the city, approximately 30 percent of them paid \$2.50.

In the county, jobs that paid approximately \$2 to \$2.49, 41 percent in the county; for that same question, 24 percent in the city.

Jobs that paid less than \$2 in the county were 23 percent; and in the city, 46 percent.

MR. GLICK. So that on balance it appeared that if not necessarily the higher paying jobs, but a higher percentage of higher paying jobs were located in the county rather than in the city?

MR. TERRILL. That's correct.

MR. GLICK. For the same kind of work which you described, as industrial work?

MR. TERRILL. Right.

MR. GLICK. Mr. Terrill, are there any other federally financed training programs in the area besides the one with which you are connected?

MR. TERRILL. Yes.

MR. GLICK. Do they deal with any different categories of workers, or are they also the hardcore workers?

MR. TERRILL. Most of them are the hardcore. I don't know of any that I could specifically say that would deal with any other.

MR. GLICK. So that, on the whole, the federally financed training

programs in the area deal with hardcore workers, and not with the problem of upgrading persons who are not in that category?

Mr. TERRILL. That would be correct.

Mr. GLICK. Can you tell me what the role of the State employment agency is in the job market in St. Louis and in the county?

Mr. TERRILL. I have at least two different areas that I think we could talk about. The regular State employment role seems to deal primarily with the—well, I guess I should put it this way, and this is my opinion, because I can't be exactly specific about just exactly what happens in the State employment service. But they tend to provide service to almost any person who happens to be in need of employment service. And their intent, apparently, is to provide the employer a service, rather than that of a client, or the individual who is looking for the job. I think this is their basic intent.

The other part of the program happens to do with the Federal services, or the Federal funded programs, such as a Concentrated Employment Program. I think they might have some involvement with the National Alliance for Business. The Alliance program, of course, is one which businessmen make every effort to enlist the support of one another to provide jobs for the hardcore. But in the end, that same service is brought through the employment service. The Concentrated Employment Program is also a part of the Human Development Corporation, but, of course, the job part of that program is, again, under the services of the Missouri State Employment Service.

Mr. GLICK. Just to clarify something, the Human Development Corporation is the OEO umbrella for the area, is it not?

Mr. TERRILL. Right.

Mr. GLICK. I see. Do you see very many white persons coming into the training programs, or is it largely a black population?

Mr. TERRILL. Basically, it's black. I believe the figure is approximately 86 percent black.

Mr. GLICK. Why do you think so few white people come?

Mr. TERRILL. Well, there have been several bits of information through our counselors in the neighborhood stations. The basic, I think, has been the white persons have found that they really do not need our service. They've told us in a number of ways that if there is a job available any place in the city or county which they qualify for, they can go directly to the place and get the job without the kinds of training that seems to be asked for when there is a black person.

Mr. GLICK. So you're suggesting that a white person who may have minimal skills would be able to get a job requiring minimal skills, but a black person who might have minimal skills would need some training to get the same job that requires minimal skill?

Mr. TERRILL. This is the information that we received.

MR. GLICK. I see. Have you, in the people that have gone through the program, have you found that they have had any difficulty in obtaining jobs in the suburbs?

MR. TERRILL. Yes, very definitely.

MR. GLICK. Difficulties of what kind?

MR. TERRILL. Well, while the jobs are available, and as I mentioned earlier, in most instances they pay more, one of the basic problems is the transportation. Cross-county transportation is almost nonexistent, and transportation from the city to the county is extremely small. And any person who would be in the city looking for a job in the county, would have to pretty much have his own personal or private transportation, to be able to accept a job in the county.

And so many instances we've found that these people just cannot afford the kinds of transportation that it would take to get them into the county and be there daily and be able to take care of their job.

MR. GLICK. Well, even though the jobs in the county, on the average, pay more than those in the city, is there some question as to whether it's economically feasible and worthwhile to travel out of the city to the suburbs for a low-skilled industrial job?

MR. TERRILL. In most instances, from my estimate, it would not be economical. The differences are not that great, are not great enough that one would find himself in a hurry to get to the county for that job.

MR. GLICK. I see. Now, one point that I want to return to, the State employment service, Missouri State Employment Service, are you familiar with a proposal to consolidate the job training activities under the State employment services, not only in Missouri, but nationally?

MR. TERRILL. I've heard some conversation.

MR. GLICK. What would be your view of that kind of a proposal?

MR. TERRILL. I would think that would be probably the worst possible thing that could occur.

MR. GLICK. Why do you think so?

MR. TERRILL. Well, I think I made mention a moment ago that in most instances the employment service apparently has the mandate to respond to the employers' needs. And I seriously believe that we really have to, at this point, look to the needs, desires, and wills of the potential employee.

One of the things that we have done in the Comprehensive Manpower Program through the past 3 years that I've been involved, has been to lean towards the needs of the client, the needs of the person who wants the job. And without this kind of close, individual contact that we give, I don't feel that there is going to be a

very grand excitement from persons who are going to seek this service, the service of the employment agencies.

They have not had the experience in the past that they can receive the service that they are in need of from the old line employment services. We believe that we can provide this service.

MR. GLICK. Well, you have already indicated that there are not any existing training programs designed for skills upgrading, that are controlled by HDC or other federally sponsored programs in the St. Louis area. Can you suggest any alternatives to Federal programs that would achieve the goal of upgrading black workers?

MR. TERRILL. Do you want to expand on that a bit?

MR. GLICK. Well, I'm wondering whether, if there is a problem in upgrading black workers' skills, would an appropriate alternative be a new Federal program of some kind, or should there be some other device for this? Should there be some industry-sponsored or some local government-sponsored program? Or what else, other than Federal programs, might be useful?

MR. TERRILL. Well, I think, yes, those would be proper avenues to travel. But I do believe that many of the employers in the area might provide the kinds of programs themselves that would upgrade or would help upgrade the people who are presently on their jobs, or working for the companies, and moving them into the kinds of jobs that are available, thereby opening up entry-level jobs to more persons from the ghetto or from the unemployable ranks.

I believe that the Federal Government has a responsibility here, yes. The State government and the local government. But I also believe that the persons who take money from the community also have a responsibility to that community; employers who do have the jobs available, who have people, many times in their companies, who are ready for the upgrade, should be trained to do so, and given the opportunity to make the upgrade.

MR. GLICK. Thank you. Mr. Chairman, I have no further questions.

CHAIRMAN HESBURGH. Mrs. Freeman?

COMMISSIONER FREEMAN. I have no questions.

CHAIRMAN HESBURGH. Dr. Rankin?

COMMISSIONER RANKIN. I was interested in your coaching work. About what percentage of your budget do you put into coaching work?

MR. TERRILL. Because of the tremendous numbers of people that have actually entered our stations for employment, for counseling, we probably did very little in the area of coaching—a much smaller amount than we had anticipated and we had hoped.

Persons who were brought into the program as employment aides have now been forced into the position of having to act as a kind of counselor, which removes us to a very high degree from the ability or the intent to do the actual job coaching that we would like to do.

COMMISSIONER RANKIN. Would you say the money would be well spent to spend more on that particular program?

MR. TERRILL. More than well spent. I think this is one of our weaknesses, not only in our program but in any of the other Federal programs, job programs. I think that the kind of situation that I heard from the last speaker, indicating that people failed to get to work on time, and sometimes are forced out of their jobs because of this, is one of the things that the coaching aspect could very well take care of. I'm a strong believer in the point that there are persons who have not had the opportunity to work before, and have not had jobs before, who do need this kind of close contact to help them with this.

And I'm also sure that this coaching aspect would do a great deal toward bridging the gap between the already employed persons in the average plant and those who are new to the plant. There needs to be a kind of contact to help them relax a bit, once they've entered this plant. And I think this is one of the areas we could do a great deal with if we had more money.

COMMISSIONER RANKIN. Well, I agree with you. One other question; do people ever apply for jobs: "I want one in the city," or "I want one in the county?"

MR. TERRILL. Yes, quite often.

COMMISSIONER RANKIN. Which is more prevalent?

MR. TERRILL. "I want one in the city." Or, "I want one near where I live."

COMMISSIONER RANKIN. And the problem is getting to work, is that it? Is that why—

MR. TERRILL. I think there's more than that. The problem of getting to work, yes, is a big problem. But I think that persons who go to work at any time want to feel rather secure while he is at work. He wants to be sure that he is going to be treated humanely. He wants to be sure that he's not going to be put on a job and get caught in what we call "the swinging-door syndrome". That he's not going to be on a job for an hour or a couple of days, and then gone again. He wants to have a pretty good idea that this job is real.

COMMISSIONER RANKIN. Does housing enter into the picture?

MR. TERRILL. Yes, it does. While there are new developments and movement of companies into the county, the potential employee is not moving. He's staying pretty well locked into the city. While the job orders that we have indicate that employers in the county are less apt to put a lot of pressure on a police record, educational requirements, and so forth and so on, the individual still finds it difficult to get to that job.

So if there was housing that was available to the person making the kind of salaries that he would be making in these companies

nearby that plant, I can see no reason why he wouldn't want to live in that area and to work there—and to become a good employee.

CHAIRMAN HESBURGH. Dr. Horn?

VICE CHAIRMAN HORN. I was very impressed by your testimony. I take it you are familiar somewhat with the operations of the Missouri State Employment Service, based on your own experience in this particular area?

MR. TERRILL. Some, yes.

VICE CHAIRMAN HORN. Have you had an opportunity to look at the location of the various offices of the employment service—and I'd like your judgment, if you have had this opportunity, as to do you believe they've been properly located in terms of the source of the unemployed; and secondly, do you believe that—or have you observed that there are a sufficient number, let's say, of black employees working there in job placement, who could perhaps identify with a group that has a very high unemployment rate?

MR. TERRILL. The actual location of the offices—that is, the established offices, long-established offices, may leave something to look for and to wish for. But in addition to that, there are employment service counselors in each of our neighborhood centers, and also associated with the Concentrated Employment Program.

So, from that standpoint, they are to some degree, very well involved in the process of employing the underprivileged.

VICE CHAIRMAN HORN. And these counselors in your neighborhood centers are funded through the Missouri State Employment Service, which in turn is funded through the Department of Labor; is that correct?

MR. TERRILL. Yes. Would you give me a hint as to the second part of that question?

VICE CHAIRMAN HORN. Well, I was wondering, in terms of the number of black employees you had observed—15 years ago this was a real problem in some States with the employment service.

MR. TERRILL. It is still a problem in the State of Missouri—a considerable problem.

While I know or have talked, recently, with directors of the employment service, and I'm at least aware that they're thinking in this direction, and are hoping that they can better the situation, I think they find themselves restricted by Civil Service laws that usually makes it rather difficult for black persons to qualify for the jobs.

In addition to that, I think their salaries, paid to their employees, professional and technical employees, are of such a level that few blacks who are trained to the degree in which the demands of those jobs are, are willing to accept those jobs. So, while they do not have the numbers of people available or are on the job presently that I



would like to see, or think should be, I know that they are concerned about this problem.

VICE CHAIRMAN HORN: I would like the staff, if possible, to get the data based on the question I've asked, with a map, at this point in the record, of the St. Louis area, where are the offices in terms of the number of unemployed, if that is available, plus the percent of black employees in the counselor relationship.

(The information referred to appears in Exhibit No. 51.)

My last question concerns both the relationship of your group, the Human Development Corporation, and any knowledge you might have on the relationship of other groups, either private industry or the Missouri State Employment Service, in terms of cooperation with the high schools; and to what degree are we involving industry and your counseling program with high school students while they are still in high school.

If I might add one more point to that, before you answer, and it's partly based on the previous gentleman's testimony, which I thought was very good; one of the concerns I think we have nationally is the small number of black students who seem to be going into the sciences and other technical-oriented professions. Perhaps the previously low employment rate of the firm that previously testified is an example of this.

And I wonder, what can we do, through either Federal programs, programs such as your own, private industry, to encourage a proper teaching, perhaps, of certain basic skills in school, be it mathematics or whatever, to encourage students to go into this particular aspect of an industrialized society?

MR. TERRILL. Quite a question. We have an involvement—the Human Development Corporation does have an involvement with the schools, through the Neighborhood Youth Corps, curtailed a good deal recently because they are now only working with the 17–18-year-olds, rather than the expanded age levels that they did previously.

I don't know of any other program, federally funded program, in the city, that makes a very strong effort toward employing such age youth. And usually I've heard that it's a little bit useless to put much time and money into this particular age category, because the companies are not able to hire them because of union requirements or because of insurance requirements, and other similar kinds of things, which I'm not an authority on, in this area.

What can we do? I think that the problem is much greater than just teaching an individual in a school system some mathematics or some science. I think we're going to have to prove, in a sense, that these jobs are available once the individual has gained this education.

I think we are living at the moment with a group of young people who have seen the opposite kinds of results. Their parents and their

foreparents before them have not had the opportunities, regardless of how much effort they might have made.

While the situation grows better, we think, there is still little evidence that the great majority of us are going to be able to really move into the better paying jobs or the highly skilled jobs, even if we are qualified.

These are personal opinions.

VICE CHAIRMAN HORN. Thank you.

CHAIRMAN HESBURGH. Dean Mitchell?

COMMISSIONER MITCHELL. Thank you for that demotion.

CHAIRMAN HESBURGH. A Freudian slip.

COMMISSIONER MITCHELL. Mr. Terrill, just a couple of questions.

First, we keep hearing the word "hardcore," as it's applied to people with whom your organizations work. Given a poverty-embroiled white person, given a black person who is unemployed, given a Mexican American who is unemployed, does "hardcore" in your mind refer to any particular member of that group of three I'm just listing for you?

MR. TERRILL. Would you re-state that?

COMMISSIONER MITCHELL. Well, I'll put it another way. Are we, in using the term "hardcore", are we developing a euphemism?

MR. TERRILL. Yes. I don't know of anybody who can really give you a full definition or real definition of what the term means. And I don't know if it means anything at all, really.

COMMISSIONER MITCHELL. Is it used because—by people who mostly think of black people?

MR. TERRILL. In many instances I'm sure that the term is synonymous with black. I think in many companies that we refer people to, and sometimes when we think we've referred an extremely high-quality individual for a particular job he gets caught in the business of the hardcore immediately upon appearance in the particular plant, and he's treated as such. And I think we are not too interested in being considered the hardcore. I think we're interested in being people and respected as such.

COMMISSIONER MITCHELL. You made reference earlier to the possibility that business, through various procedures it might employ, could contribute in important ways to the solution of the employment problems you deal with. In your opinion, is business a bigger and more significant factor—industry, generally—than the Federal Government?

MR. TERRILL. Due to the grand extent of the problems I would like to say not specifically, or not exactly.

COMMISSIONER MITCHELL. Who is going to solve the problem in St. Louis, in your opinion? Industry or the Federal Government, some combination of both, in what balance?

MR. TERRILL. I'd say a combination of both. And the balance there

I would think, as far as actually really getting to the root of the problem in St. Louis, I think it depends a great deal, to the highest degree, upon industry here. While the Federal Government may be able to supply funds, they may be able to give some direction, some threat maybe, even, in some instances, I think the reception of the persons in employment in this area still has to come as a result of the industry and business of this area.

COMMISSIONER MITCHELL. You would say, then, that if industry accepted what many people think are proper hiring practices, proper training practices, proper coaching in the sense in which you mentioned coaching earlier, that it would contribute in a significant way to the minimization of this problem?

MR. TERRILL. Yes, I do. Very definitely. I have a story of my own that I sometimes make reference to when I am really feeling the strains of life, or in my job, that happens to make mention of hardcore unemployed, and hardcore employers. And I think that we've got to find a means by which we not only solve the problem of the hardcore unemployed, but as well the hardcore employer. And I don't think I'm meaning the president or the vice president of a company, or anything of this type, or even any one particular individual. I may be talking, I may be thinking pretty much of the first-line supervisors, persons of this type, who have the day-to-day contact with the person coming on the job for the first time, the hardcore unemployed. And until we've dealt I think thoroughly with the attitudes of this particular group of people, we are not going to achieve a great deal. I think we have to begin work there. I think we have to continue to work, really, from both ends. Both with the hardcore and with the hardcore employer.

CHAIRMAN HESBURGH. Mr. Glickstein?

MR. GLICKSTEIN. I have one question that perhaps warrants or will require a rather subjective response.

How long have you been with HDC, Mr. Terrill?

MR. TERRILL. A little over 3½ years.

MR. GLICKSTEIN. That was more or less close to the beginning of the program?

MR. TERRILL. Yes.

MR. GLICKSTEIN. Well, there's been a great deal of criticism of the poverty program over the last year or two. Some people think it's been a failure, some people think funds have been squandered to a huge degree. I'm sure you know what I'm referring to.

What is your impression of the impact of the poverty program in the St. Louis area on the black community in this area?

MR. TERRILL. Well, without any hesitation at all, I seriously believe that the impact of the poverty program on St. Louis has been tremendous, great. Of course, that does state some areas of the program have been more effective than others. And since I have

spent the greater part of my time with the manpower section of the program, I'm, of course, pretty prejudiced in that general direction: I think we've done a tremendous job.

I think another one of the sectors that I could really look to as an outstanding part of the program would be the Neighborhood Action sector of the program. That part of the program which deals directly with the people and their problems and providing them with a motion toward leadership, self-leadership, self-growth—and I, in general, would have to say that there has been no program that I am familiar with in the St. Louis area that has done more toward the upbuilding of the black community than the Human Development Corporation.

MR. GLICKSTEIN. Do you happen to know offhand how much money you have had to spend over the years the program has been in existence?

MR. TERRILL. You mean for the total Corporation?

MR. GLICKSTEIN. Yes.

MR. TERRILL. No, I don't have that figure. I do have the—

MR. GLICKSTEIN. Approximately—do you know what this year's budget is, or —

MR. TERRILL. Just a second. I don't believe—we don't have the total figure on that. No, I can't give you that.

MR. GLICKSTEIN. Okay. Thank you.

MR. TERRILL. I can do it for Manpower, but not for the total Corporation.

MR. GLICKSTEIN. What about for Manpower?

MR. TERRILL. I believe the figure for the first year, Year-A, would have been approximately \$2.3 million. The second year I believe we dropped to an approximate \$1.9 or \$1.8. These are guesstimates.

The third year, I believe, was—this past year—we were at \$1.1. This coming year we are budgeted for just slightly less than a million dollars.

We've—in the Manpower—whether these figures are exact or not—have been reduced in funds approximately 20 percent per year.

MR. GLICKSTEIN. Thank you.

CHAIRMAN HESBURGH. Mrs. Freeman would like to ask one more question?

COMMISSIONER FREEMAN. Mr. Terrill, there are two questions that come to mind, the answers to which would be very helpful to this Commission.

Number one, you would probably have the figures of the number of persons who have been provided jobs by the program. We would like to know if you could provide us with information concerning where they are now, how long they stayed on the jobs.

Sometimes the statement has been made that a person was employed—one of these, hardcore or new labor potential, as some of

us call them—they were employed in September, but fired in October, and unemployed in November.

Could you let us know the figures as to the number that received employment and where they are now, in terms of whether they are still on the job or whether they have been promoted within the particular place? Is that available?

MR. TERRILL. In part. In total, no. According to Department of Labor estimates or procedure, a person is considered to have been employed on his job if he remains on the job for 30 days. And our figures at this point are based upon that ruling. That is to say that we have employed, or we have been able to place, approximately 4,000 to 5,000 each year. And our retention figures, based on a 30-day period, have fluctuated between 50 and 55 percent over a 30-day period.

We do attempt a follow-up in the Comprehensive Manpower Program at the end of a 30-day period, 60 days, and 90 days. But in most instances we have not been able to maintain that effort due to the fact that we do not—we just simply do not have enough staff to continue that operation or that effort.

COMMISSIONER FREEMAN. I can recognize the problem, but it seems that it may be misleading in terms of determining the value of the program or the long-range service that has been provided, and the extent to which changes or improvements need to be made. And that if, preferably on a sample basis, you could get this information for us, maybe to submit—maybe in a month —

MR. TERRILL. Yes. We could do that. Without any problem we could do that.

(The information referred to appears in Exhibit No. 57.)

COMMISSIONER FREEMAN. Thank you.

CHAIRMAN HESBURGH. Mr. Terrill, I'd just like to make a statement in a sense and then ask you a question. What I'm really asking is whether my instinct is right or wrong about this. What I want to say is by way of a statement.

It seems to me that with many of our social programs today, whether it's employment or education or welfare, many other programs, we tend to get people stuck in categories. I mean we talk about the poor—you know, if you're poor you're supposed to be stupid and dirty and unfeeling and inhuman and 40 other things, just because you happened to be born in some circumstance where you don't have any money. Whereas another fellow is born of millionaire parents, and he's intelligent, bright, urbane, and witty—sophisticated, et cetera.

And we get stuck with these terms. And I think one of the terms I've heard here all afternoon is "hardcore".

You know, I always thought of hardcore in terms of criminality—the hardcore criminal. And to take that kind of—maybe that isn't

where it came from, maybe it came from somewhere else. I know Dr. Mitchell is used to playing around with words, and I like to play with words, too. But if I had to say is "hardcore" a nice word or a dirty word, I'd say it's a dirty word. I'd say it's a word that elevates someone or depresses them, I'd say it depresses them, I'd say it depresses them, no matter what he is, what kind of a person, what kind of a capability he might have, humanly.

I don't think we could possibly say hardcore students—it's just a dirty word. You couldn't use it if you were in education, although there are times when you might feel like it.

You can't say—I don't think you'd say "hardcore businessman". It just doesn't mean anything. But we very easily say "hardcore unemployed", because they're unemployed and at the bottom of the totem pole, and they're the guys around when everybody else has been hired. So they're hardcore, and that's bad.

And I think if we're going to try to have programs such as you've been talking about, to lift people up and give them a break in life, we aren't going to do it if we start out by calling them dirty names, and putting them in a category that destroys hope or destroys their own self-image or their own self-confidence.

I'd hate to start out life, you know, being hardcore anything—except maybe Christian—and I'm still working at that.

So, anyway, the point I want to ask is would we be better off if somebody, by some miracle, we'd get rid of the term "hardcore"?

MR. TERRILL. Yes, I very definitely think that it's a word or it's a phrase that has a tendency to indicate to many people that it's, you know, that the individual or the institution is a bad thing, or a bad place. And I think it's why I sort of added to the term of hardcore unemployed, to indicate that if that is bad, then there are possibly some bads on the other side, as, so to speak, some employers, or some of the employers' workers or supervisors, or so on.

I really wish that we could find a way to speak of people as being people, some who have been privileged to have a great deal more opportunity, or some more opportunity than others, and if we could do that I do believe that it would be less difficult in many instances for many black faces to get into jobs that are available. Because people are expecting something special out of a hardcore unemployed. They're expecting them to be an ax-wielding kind of a character and all sorts of things. And he's not that. He is not that at all. He's a human being.

CHAIRMAN HESBURGH. Thank you very much, Mr. Terrill. We appreciate your statement and your work, and we hope you'll stay with us for a while and follow this conference.

Ladies and gentlemen, we're going to recess for 10 minutes, and before we do I have to make a personal statement, if you'll indulge me.

One of my dearest friends died, and I have to go to New York within minutes to officiate at the funeral at St. Patrick's tomorrow. So I won't be here tomorrow or this evening. But our genial Vice Chairman, Dr. Stephen Horn, will take over with the assistance of our local Commissioner, Mrs. Frankie Freeman. And I will be back Friday night.

Thank you very much. We'll adjourn for a 10-minute recess.

VICE CHAIRMAN HORN. The Commission will resume its third afternoon session.

We have as the next witnesses a job training panel of Mr. John R. Harlam, production manager for the Bemis Bag Company; Mr. Harold Schreiber, director of the Chrysler Institute, and Mr.—let's see—those two are our next two witnesses.

Gentlemen, will you come forward please?

(Whereupon, Mr. John R. Harlam and Mr. Harold Schreiber were sworn by the Vice Chairman, and testified as follows:)

**TESTIMONY OF MR. JOHN R. HARLAM, CRESTWOOD, MISSOURI AND MR. HAROLD SCHREIBER, VINITA PARK, MISSOURI**

VICE CHAIRMAN HORN. Please be seated and we'll begin the questioning.

MR. GLICK. Mr. Chairman, I would like to introduce into the record some statistics concerning training programs at Bemis Bag and the Chrysler Institute, which have been furnished to us by the companies.

VICE CHAIRMAN HORN. Without objection it is so ordered.

(Whereupon, the documents referred to were marked Exhibit No. 9 and received in evidence.)

MR. GLICK. Gentlemen, will you both please state your names, your addresses, and occupations for the record?

MR. SCHREIBER. My name is Harold Schreiber. My address is 8330 Flora Avenue, in St. Louis County, Vinita Park. I am the plants program supervisor for the Chrysler Training Program in Fenton.

MR. HARLAM. My name is John R. Harlam. My address, 8708 Sturdy Drive, Crestwood, Missouri. I'm the production manager at the plant.

MR. GLICK. When you say "the plant", Mr. Harlam, you mean Bemis Bag?

MR. HARLAM. The St. Louis plant of the Bemis Company, Inc.

MR. GLICK. Thank you. Mr. Harlam, I'll begin questioning with you, if I may.

I'd like to ask you first, the Bemis bag operation in Fenton has only recently moved there, that is, within the last few years, from the city of St. Louis? Am I correct?

MR. HARLAM. Right. 1964.

MR. GLICK. The facility was built in 1964?

MR. HARLAM. Right.

MR. GLICK. When you moved the facility from St. Louis—and if I recall correctly, you were not with the St. Louis facility at that time, or were you?

MR. HARLAM. That is correct.

MR. GLICK. Yes. But from your understanding, when the facility moved from St. Louis to Fenton, was there any difficulty in obtaining new employees to staff that plant?

MR. HARLAM. Not too much difficulty, because most of the employees from the 4th Street plant moved with the plant, as I understand it.

MR. GLICK. But there were some—there was a need for new employees there?

MR. HARLAM. At the —

MR. GLICK. At the Fenton plant.

MR. HARLAM. Not immediately. There was within a short period—3 or 4 months. Actually, there were more employees I believe than were originally moved from the 4th Street plant. And this is second-hand, you know.

MR. GLICK. I understand. Has the company had some difficulty in obtaining employees for the Fenton plant?

MR. HARLAM. Yes. On occasion. The main reason being that we are primarily in textile conversion, and we're allied with the textile industry which is an historically low-paid industry, relative to, oh, let's say, automotive assembly, for example, or the aircraft industry. And in the tight labor markets, and the market gets tight, and loose, and tight, and loose, we have periods where we have a great deal of difficulty. Just last week I believe we had five job openings which were given to various gateway centers, Missouri State Employment, and what have you.

MR. GLICK. Well, your experience in having some difficulty in obtaining production workers at the plant, did that lead you to try to employ what we used to call "hardcore" but which we are not going to call "hardcore" any more—but persons who may have had limited industrial work experience?

MR. HARLAM. Well, I think we've always been in the disadvantaged market. And this is the term we use, whether you like that or not, they're disadvantaged because they dropped out of school for economic reasons or because they had to go to work. I would guess that our average education of our hourly workers in the plant is, oh, around 8th or 9th grade. So they're disadvantaged from an educational standpoint. They're disadvantaged from—we have people who are physically handicapped, that are hard of hearing, or can't talk, various other reasons.



So we've employed—and many of these people are, people of long-standing. When I came to this plant in 1965 something over 30 percent of our employees were black, and of our 20-year club. I'm venturing a guess, but I'm sure 50 percent of our 20-year club is probably black employees. So it hasn't been a hardcore in relation to blackness only, and that's why we use the term "disadvantaged" among ourselves, although when we write legalistic documents for the Government for MA-4 contracts we use the terminology that the Government recommends we use.

MR. GLICK. Well, in employing new employees at the Fenton plant in the category that you call "disadvantaged" what was your experience as far as retention of these employees on the job, or with the company?

MR. HARLAM. Very poor. And I suspect for a number of reasons. Well, let me talk about the specific situation today.

Our entry-level job for men is \$1.89, which goes to \$2.10 after 4 months, and in April will go up to \$2.23. And this doesn't total up to be a big weekly take-home, without considerable overtime. And in a lot of these entry-level jobs there isn't that overtime. It sometimes comes later. And this creates a problem.

And when the bus fares went up and other things went up, people started looking around the neighborhood—especially in these tight periods. And they come and go, almost with the seasons. In the wintertime we get a lot of rural farm workers, and so forth, that are in looking for—the crops are harvested, and so forth.

But yes, we do have a serious problem with turnover.

MR. GLICK. Well, did this problem of retention of workers on the job with the company lead you to the concept of—that some kind of training program would be helpful in perhaps overcoming the retention problem?

MR. HARLAM. Right. One good example, we worked—one of the things that we found, that to recruit people we had to go out and make contacts and really get at it. We had a previous witness who indicated the Missouri State Employment Service inclined to the employer, but I don't think that's necessarily true. Because we've put many work orders up there without result. And so through efforts of some local people, we recruited I believe it was five or six people from Meacham, and —

MR. GLICK. When you say "Meacham", would you give us a little idea —

MR. HARLAM. This is an unincorporated area not too far from the plant—probably 3 or 4 miles from the plant. It's between Kirkwood and Crestwood, and it's—Meacham is practically all-black. I think it may be all-black, as far as I know.

And so we get five or six people in there, and I think the longest retention we had of any of them was 3 weeks. One, I think, lasted

half a day. I think we recruited six, only five showed up. The first one lasted half a day.

Well, you get something like that, there's something wrong. You've got to do something. You've got a problem. And this is where we started looking into this training development, orientation, and what have you.

MR. GLICK. Could you give us a brief description of your program? But I understand, though, that you're talking about an MA-3, or was it an MA-4 program—that is, a Government sponsored—Federal Government-sponsored training program?

MR. HARLAM. Right. An MA-4 program.

MR. GLICK. An MA-4 program. Could you describe for us, briefly, what that program consists of?

MR. HARLAM. If I go from memory, it'll take me a half-hour. Can I just read it off here, quick like? It involved establishing some criteria for employment, pre-employment physical, more elaborate indoctrination-orientation system, on-the-job training, utilizing a JIT system of trained trainers, on-the-job follow-up with specially trained people, off-the-job follow-up in counseling with people like—well, the one in Meacham happens to be a postman there. We had initially contacted a coach. There are a number of sources, but they're people the kids know and respect—the people know and respect—I shouldn't say "kids".

There is incorporated in this, a job oriented, basic education course. In conjunction with this—and this is another delicate word, but we use it, we don't like it—we conduct foreman sensitivity training.

The goals of the program are to bring these disadvantaged employees to the minimum acceptable Class III levels. We have one man who has just managed to finally accomplish the 26 letters of the alphabet, after—I don't know, a couple of months now. He can now count bundles of 10 bags when he's putting them in the stacks. First it was 12, 14, 9. Then, to further develop the disadvantaged employee to acceptable Class IV levels, to educate him in the basic mathematics, language skills, and so forth—and here we don't write it, but we are shooting for the 6th grade level. If we have satisfactory employees and our average educational level is somewhere between the 8th and 10th, if we can get a real 6th grade education into employees, we think they can handle any hourly job in our plant, up to the most skilled—pressman, crew leader, and what have you.

And, as a result of this, we asked for this money from the Government—the final goal was to develop this program, because the administrative costs—and I think a previous witness indicated this—once you get the program built, are not too great to sustain it—it's getting it built—to develop a program that could be used for

all disadvantaged employees employed in the future, beyond the scope of this specific contract.

MR. GLICK. When you talk about Class III and Class IV, those are classifications in your plant?

MR. HARLAM. Right. And Class III is an entry-level.

MR. GLICK. How many trainees are there in the program, Mr. Harlam?

MR. HARLAM. Under the contract we can only have four at any one time, although we do exceed that. But we can't charge for them. We have had as many as six in the program simultaneously, although we only charged for four as far as Government billing is concerned, in case the auditor is here today.

MR. GLICK. Could you tell us very briefly the race and the age and the—well, the educational level you have mentioned of the trainees is pretty low—but what about their race and their age?

MR. HARLAM. Of the six that have been in the program, I believe all of them have been under 26 years old; five have been black, and one white. Incidentally, the totally illiterate man is the one that's white.

MR. GLICK. And what is the educational level of the other—the black trainees?

MR. HARLAM. Well, we get into a problem of semantics and courtesy degrees, and so forth. We have 11th grade, 10th grade, 9th grade—but when we test we don't find that they reach these levels on our McGraw-Hill Testing Series that we use. And we start them in things like Reading Book 2, Reading Book 3.

Three of the people that are or were in the program, we feel could probably pass a GED if they were so inclined at this point.

MR. GLICK. How does their educational background compare with regular employees? I believe you said that your average years of school completed for the regular hourly employees was 9?

MR. HARLAM. It's somewhere in the 8 to 10 range. I didn't take the employee record cards. We have very few high school graduates, really.

MR. GLICK. But then the trainees' background is similar in education to that of regular employees?

MR. HARLAM. Right. They're not that much different.

MR. GLICK. What kind of jobs are the trainees being prepared for?

MR. HARLAM. It's a utility job. It covers seven different possible jobs. This is to cover absenteeism, primarily. It would be baling bags—I may have a list of them here . . . I may not, too. I guess I don't.

Palletizing, material handling, stacking tables—I can't remember exactly, but they're the non-skilled. They require the ability to read and write, because you've got to get the right bale label on the right

bale of bags, the ability to count, the ability to weigh on scales, and so forth. Fairly simple skills.

Mr. GLICK. But they're being trained for jobs that actually exist in the plant?

Mr. HARLAM. Right. They actually work on these jobs, as they're being trained. This is not a separate school. They are trained on the job, and they're actually doing the job the whole time. The only time they're pulled off the job is for Monday, Wednesday, and Friday they come into a—we don't like to call this a "classroom" either, but into a classroom situation for approximately 2½ hours, for some job-oriented, basic education. Things where you've got to get out of a noisy factory to get this thing.

But after this 2½ hours they go right back on their job, and they're continually learning their various jobs.

Mr. GLICK. So this is actually an on-the-job program?

Mr. HARLAM. Right.

Mr. GLICK. How long after the trainee first comes into the program is he actually doing the job?

Mr. HARLAM. Sometimes as quick as 8 hours.

Mr. GLICK. I see.

Mr. HARLAM. Generally, I'd say about 3 or 4 days.

Mr. GLICK. Would you think that the skills that the trainee is learning at the Bemis Bag operation in Fenton are skills that he could translate into another industrial setting should he leave your company?

Mr. HARLAM. A number of—I won't say all industrial settings—I would doubt if he could apply many of these skills to switching the valves at Monsanto in a chemical plant, or refinery, or something like that. But any light manufacturing operation, I would say the skills are pretty similar.

Mr. GLICK. Thank you. Now, I'd like to turn to Mr. Schreiber.

Mr. Schreiber, will you describe for us the Chrysler Institute?

Mr. SCHREIBER. Our program is operated in Fenton. We're in a separate facility there, as from the St. Louis car assembly plant and the Missouri truck plant.

We are training people to place on entry-level jobs at the two plants in Fenton plus the Chrysler Gateway defense plant.

In our program, we—after we bring the individual in and place him in the program—we put him through orientation, hands-on training, and academics.

In our hands-on training program, this is an area that's set up at the car assembly plant, and we take the individuals from our training program to the plant itself, take them in and conduct training in a facility which was set up. We can teach them the use of small hand tools, air guns, spot-welding. We use various parts that go on the car. We have bodies that have been furnished to us by the

plant. We can show them metal finishing—this type of training is given in the plant.

MR. GLICK. How many people have been through the Institute here in the St. Louis area?

MR. SCHREIBER. We have placed on jobs 402, that have went through our training program.

MR. GLICK. 402?

MR. SCHREIBER. Yes, sir.

MR. GLICK. And how much—well, how would you describe that as the retention rate, in the training program?

MR. SCHREIBER. In our training program that is about, oh, 67 percent retention.

MR. GLICK. What is the racial background of most of the—well, could you give me a racial breakdown for the trainees in the program?

MR. SCHREIBER. Yes. Ninety percent of our trainees in the program are black, as compared to 10 percent white.

MR. GLICK. Do you think there have been any occasions in which a person has been in the program who could possibly have gone on to the employment office of the truck plant and gotten a job?

MR. SCHREIBER. There could be possibly an individual of this type that would have went into our program, that we brought into the program, that possibly if they had gone to the plant they might have qualified to be hired directly in. They have been certified under the jobs program as eligible to come into our program. We brought them into the program feeling that perhaps we might be able to place them quicker than if we did go the other route and go in and make application. But there would be very few that would fall in this area.

MR. GLICK. Well, are those who have come through the training program certified? I think —

MR. SCHREIBER. All of our people have to be certified.

MR. GLICK. And when we say "certified" in this context, do we mean certified hardcore? I think someone told me that. Is that what it —

MR. SCHREIBER. This is actually in the Jobs booklet which is put out by the NAB. This is what they refer to them—specifically they say, "hard-core disadvantaged." With emphasis on the ghetto areas.

MR. GLICK. They get a certificate? Is that really what it means? They get a certificate that says they are hardcore?

MR. SCHREIBER. This is a slip that certifies that they are brought in through NAB. It don't specifically say this. They are certified as being eligible to come into the program.

MR. GLICK. Well, when they leave the training program and go into the plant, do you think that kind of designation, or that

certification, follows them in any instances? Have you ever had that kind of an expression from your follow-up of the workers?

MR. SCHREIBER. You mean as being a hardcore, so to speak?

MR. GLICK. Yes.

MR. SCHREIBER. We don't use the term in our training center at all. We refer to them as trainees. We talk about them as going through the Chrysler Pre-employment Training Program, and we never refer to him as being hardcore.

MR. GLICK. But do the people in the plant, fellow workers or supervisors, know that these people have come from the training program and are, therefore, hardcore?

MR. SCHREIBER. It's—well, we try not to let this get out into the plant, that these people are from our program. We try to bring them into the plants along with other people who have hired in through the employment office.

We feel it's better if they go out and have no identity—I mean to the point, well, this is—like we talk about it—a disadvantaged person.

Of course, we have follow-up in the plant. We have advisors, follow-up people that go into the plant and after they're placed in a job, they will go through—try and make at least a weekly contact with the individual, once they're on the job.

Now this isn't done particularly through the foreman. He knows where they're placed in the plant, he checks the time cards to see if they're getting into work. If he's got any problems in this area, of developing an absentee problem, why, he will check first with employment to see if the man did call in to report his absence from work. If not, he will try and contact the individual.

We have even went so far that if they had a transportation problem, why we would go out and pick up the individual and get him in to the plant so he wouldn't develop into being an absentee problem.

MR. GLICK. Well, let me follow-up on what you're saying about transportation.

Is what you're saying suggesting that most of the trainees do not live near the plant?

MR. SCHREIBER. This is correct, yes.

MR. GLICK. Most of them live in the city, or —

MR. SCHREIBER. That is correct.

MR. GLICK. Well, let me ask you, then, what has been the retention rate in the plant of the persons from the training program?

MR. SCHREIBER. Right now we have a 40 percent retention rate.

MR. GLICK. That's a—would you call that a satisfactory retention rate?

MR. SCHREIBER. Well, to be perfectly honest, to me it wouldn't be. I mean, in my program I would prefer it to be 100 percent.

It's—

MR. GLICK. Do you think the retention rate on the job of the trainees would be higher if they lived nearer to the plant—in Fenton or some of the other surrounding suburbs?

MR. SCHREIBER. I believe it would be, yes.

MR. GLICK. Why do you think so? Could you offer an opinion as to why?

MR. SCHREIBER. Well, I think, frankly, that from experience in talking to the people that have run into problems, most of the problems in the plant are due to absenteeism, and this is because of transportation.

MR. GLICK. So this would—the problem of absenteeism, then, would tend to weigh heavier on those who lived further away, perhaps? Do you think there's a correlation between distance and absenteeism?

MR. SCHREIBER. Yes, I do.

MR. GLICK. Well, now—

MR. SCHREIBER. Due to the lack of transportation that we have in the Fenton area, particularly now.

MR. GLICK. Well, thank you. But there's one question I would like to pose to both of you gentlemen, and that is, how would you gauge the success of your training programs? What criteria do you think there are that make for a successful program, as compared to one that isn't quite so successful?

MR. HARLAM, would you like to take a shot at that first?

MR. HARLAM. Well, I think we're developing that criteria. We haven't been in the program long enough and I don't know. I don't think there's any educational program, be it the public school system or the colleges, with all due respect to the professors, but—that can't stand a lot of improvement in this day of change.

Now, a year ago we had six people leave within 3 weeks. Our first trainee in this program went in in April of 1969, and he's still with us. People that went into the program in September were gone in December. I don't know whether that's success or not success—I'm not happy with it, let's put it that way. We're working on it. And maybe we're going to learn. I've already picked up some ideas from what I've heard today. I think these are good things for exchange of ideas and thoughts.

MR. GLICK. Thank you. Mr. Schreiber, would you express a view about the success of your program, or what you think makes for a successful program?

MR. SCHREIBER. I think, frankly, where—you're, of course, referring to improvement of our retention rate, I'm sure, on the job—I think, frankly, it gets down to the point of the distance of the plant location from the inner-city area where most of our trainees are coming from. These are people that—I see it every

day out at our training center, their cars are not the best in the world, they have car problems, there is no public transportation right now for them to get out there on. And I think this is the biggest basis for our turnover.

MR. GLICK. Thank you. I have no further questions, Mr. Chairman.

VICE CHAIRMAN HORN. Chancellor Mitchell?

COMMISSIONER MITCHELL. Mr. Harlam, how big is Bemis, in terms of dollar volume, annually?

MR. HARLAM. Our plant in St. Louis—now there are five Bemis locations in this area, but —

COMMISSIONER MITCHELL. I assume they're all the same company?

MR. HARLAM. All the same national company. Now, our—and the only thing I have anything to do with is the St. Louis plant—or the Fenton plant.

COMMISSIONER MITCHELL. Have they ever published an annual report?

MR. HARLAM. Right. Our company—the sales are around \$300 million, I would guess. Total company. Our plant has billings of about \$7.5 million.

COMMISSIONER MITCHELL. It's a profitable company; I assume?

MR. HARLAM. In the total, overall picture, right. Unfortunately, it was not quite as profitable in 1969 as it was in '68; but it's, I think, going to remain in the black.

COMMISSIONER MITCHELL. Is the bag business, or your special area, a profitable part of the business, or does it—

MR. HARLAM. It's on the decline. It's a troubled business.

COMMISSIONER MITCHELL. What do you charge the Government for training?

MR. HARLAM. We wrote a contract—this is kind of like a business deal—we told the Government that we, in a 2-year period, would set up this program and train these people, four people, for a total of \$8,778. Now, this doesn't mean it's necessarily the same four people. If one person drops out, then another one goes in.

This was what we anticipated would be the out-of-pocket costs over and above what it would cost to train this employee if he wasn't disadvantaged. In other words, it's going to cost us \$5,000, we'll say—and I'm pulling this figure out of the air—to train an ordinary employee if he isn't disadvantaged. Now, it's going to cost us—

COMMISSIONER MITCHELL. You figure it costs you about \$5,000 to train somebody for a \$1.89-an-hour job?

MR. HARLAM. No, I'm pulling this figure out of the air. I don't have a real dollar figure. In effect, all I'm trying to do is—we



say that training these people would cost us an additional \$2,000 over that \$4,000 for the year's training.

Now, I'm sure we've probably spent \$10,000 or more on it already. Buying the materials, hiring the consultants, just hiring the guy to write the contract with the Government costs you money. Probably a good chunk of it. Then you have to hire your school teachers and you pay your outside consultants—they're not going to run around contacting these people without some kind of payment. And we took slide pictures of all the steps. We broke down these jobs and we have pictorial displays of each job. Then we ran tapes, and the tapes are coordinated with the slides. And we actually put two people into this classroom training thing. A school teacher, which we hire from the outside, and then one of our training directors who is a foreman, but we call him one of the trainers, are both in this classroom situation.

Now we don't charge—I mean this foreman is going to be there. He may be working on this project or he might be working on something else. We don't—those are part of the costs of doing business.

COMMISSIONER MITCHELL. Would you do this if there wasn't a Federal program?

MR. HARLAM. We would do it, but it wouldn't be this elaborate, I don't think. If we didn't have the subsidy we wouldn't have gone out and bought this slide equipment and the projectors and the tape recorder. We hired an outsider to start taking the pictures and we didn't like his pictures, so we fired him and we took our own.

But these are the costs that, no, quite frankly, you wouldn't go to the extent that we've gone to if we didn't have some subsidy from the Federal Government.

COMMISSIONER MITCHELL. What would you do instead?

MR. HARLAM. Well, we would—let me tell you what our initial action was—we had—we took a job construction training course and we trained one man, an industrial engineer, to train selected people from the plant to be trainers. I've forgotten—we had 3 or 4 half-day sessions, I guess. Just trained these people on how you train these—they're half-way measures. Now we've got to go even further than we've gone, I'm sure, and one of the problems is who is really qualified to be an expert in this field?

You know, the only license you have to have is 100 letterheads and 1,000 business cards, and you're in business as an equal opportunity consultant. I mean—you know—so you get them beating your door down, you know.

COMMISSIONER MITCHELL. Is that a comment on the quality or the value of the quality of the consultation you get?

MR. HARLAM. No, no. Let me—I'm saying this is possible. And

so when you have a guy come beat on the door and—I'm sure you're qualified in your field, but I'm going to investigate you if you don't show me your doctor's degree or whatever. I'm not—

COMMISSIONER MITCHELL. I don't have any. I don't even have a college degree. Would you say I'm qualified as a university chancellor?

MR. HARLAM. Well—

VICE CHAIRMAN HORN. You have just talked to one of the real hardcore educators.

MR. HARLAM. I'm going to investigate you. In other words, I'm going to come at you, and I'm going to say: "I've got these specific problems and I want you to come back to me with three or four approaches to these. And I'll pick the approach I like, and you develop it for me."

COMMISSIONER MITCHELL. The reason why I'm asking, and this is a genuine search for information, what puzzles me is here you have a very big enterprise—a \$300 million overall company—I recognize that any one plant can be very small—but it needs labor, you need those people.

MR. HARLAM. That's right.

COMMISSIONER MITCHELL. And, fundamentally, what you're doing here is very much for your own interest, isn't it?

MR. HARLAM. Right, oh definitely, definitely. We have a self-interest in this thing. It's not sheer altruism, although we like to think there is some community benefit from the thing. But—

COMMISSIONER MITCHELL. But there is community benefit from every employee you hire, isn't there?

MR. HARLAM. That's right. That's right. Everybody pays taxes. That's right. No, it's a self-interest thing. There's no question about it. But, let me make a point. The Bemis plants are more or less autonomous, and we run our own shop. The program I run in my plant doesn't have any relationship to what they may be doing down on South 2nd Street. I don't know what they're doing. I don't even contact them.

COMMISSIONER MITCHELL. Would the company allow you, in your plant, to take an aggressive, an activist, position in the area in which your plant is, to open up kinds of housing opportunities for minority people?

MR. HARLAM. I believe our company made an attempt like that.

COMMISSIONER MITCHELL. I mean your own plant.

MR. HARLAM. Our own plant was a part of a consortium that made an attempt at that, out in the Kirkwood area I believe.

COMMISSIONER MITCHELL. Did anything come of it?

MR. HARLAM. No.

COMMISSIONER MITCHELL. Thank you.

VICE CHAIRMAN HORN. Mrs. Freeman?

COMMISSIONER FREEMAN. Mr. Schreiber, you indicated that 402 persons have been in the training program over what period of time?

MR. SCHREIBER. This has been about 1 year and 3 months.

COMMISSIONER FREEMAN. During the past year?

MR. SCHREIBER. Yes, ma'am.

COMMISSIONER FREEMAN. For what positions are they being trained?

MR. SCHREIBER. We're training them for, like I mentioned, entry-level jobs, assemblers, spot-welders, material handlers—this type.

COMMISSIONER FREEMAN. Would you tell me the total number of spot-welders employed by the company?

MR. SCHREIBER. Ma'am, I don't have this information available. This would be a combination of the plants that I'm placing them in, and I don't know exactly what their breakdown is by classifications.

COMMISSIONER FREEMAN. Would you obtain for this Commission that figure, plus the number of persons who are white, who are employed in such positions, who did not go through the training program?

MR. SCHREIBER. Yes, ma'am.

COMMISSIONER FREEMAN. You have indicated that 90 percent of the persons in the training program are black?

MR. SCHREIBER. That's correct.

COMMISSIONER FREEMAN. And so this is why we would like to know.

MR. SCHREIBER. Well, let me explain this. We, like I mentioned, we depend on our people to come from the Division of Employment Security, and this is what is being referred to us now. This is not by our choice.

COMMISSIONER FREEMAN. Well, I'll tell you. What disturbs me is the extent to which it is necessary for a black person to go through training to get an entry-level job, and a white person can come to the personnel office and get one. And this is why I would like to get that information.

MR. HARLAM, will you tell us, what is the highest skill, that is category, in your plant?

MR. HARLAM. In hourly employees, is what we call Class 8. Or you mean the specific job?

COMMISSIONER FREEMAN. Well, the salary?

MR. HARLAM. The highest—

COMMISSIONER FREEMAN. Class 8, the specific job and the salary.

MR. HARLAM. \$3.27.

COMMISSIONER FREEMAN. How many employees do you have in that category?

MR. HARLAM. I don't have those numbers, but I would guess probably 20.

VICE CHAIRMAN HORN. I'm sorry, I didn't hear you.

MR. HARLAM. Twenty.

COMMISSIONER FREEMAN. Of that number, how many are black?

MR. HARLAM. Probably about 40 percent. And this is a guess, but I can get the exact figures.

COMMISSIONER FREEMAN. What skills are required in that job?

MR. HARLAM. These are things like printing pressmen, there's a department coordinator, maintenance mechanic. I guess that's it.

COMMISSIONER FREEMAN. Does one plant have a higher level of jobs than another plant?

MR. HARLAM. In the Bemis Company?

COMMISSIONER FREEMAN. Yes, within the Bemis Company.

MR. HARLAM. Oh, yes, I'm sure. We have plants that are exclusively devoted to fancy printing. One is down near Murphysboro, and I'm sure that those are much—I've never been in that plant. I'm just guessing, from what I know from the printing industry that those are probably much higher-skilled printing jobs than we have.

COMMISSIONER FREEMAN. Within the—I believe there are four plants in the St. Louis area?

MR. HARLAM. I think there's four, yes.

COMMISSIONER FREEMAN. Would you have any information or be able to obtain any information as to the number of employees who can move from one Bemis plant to the other and who have moved?

MR. HARLAM. Well, anybody—are you talking about moving of their own free will? Anybody can quit my plant and go to work at the Visnet Mill, if they get hired, if there's a job opening. But they can't just laterally move. They're stopped by unions.

COMMISSIONER FREEMAN. The question that I'm trying to pursue—it seems that at the plant where there are about 40 percent black, that they are low-skills. Let's assume that plant number 2 has higher skills. We would be interested in the population—

MR. HARLAM. Oh, no. I misdirected you there, then. I was talking about a plant in Murphysboro, Illinois, as opposed to—no, I would say that our skill levels and the skill levels at, say, the Visnet Mill, downtown which I have been through—it's the only other Bemis plant I've even been through in this area. The levels are the same, right.

I'll retract my earlier statement.

COMMISSIONER FREEMAN. We're interested in the upward mobility of the employees of Bemis.

MR. HARLAM. Right.

COMMISSIONER FREEMAN. He comes to work at \$1.89 an hour.

MR. HARLAM. Right.

COMMISSIONER FREEMAN. What we would like to know is, if he is white, how far can he go? If he is black, how far can he go—without regard to whether he is working in Fenton or Murphysboro or wherever Bemis happens to be?

MR. HARLAM. Either color, he can have my job if he's better than I am.

COMMISSIONER FREEMAN. How many such persons are in your category?

MR. HARLAM. In this plant?

COMMISSIONER FREEMAN. Well, at say, your salary level?

MR. HARLAM. In this plant?

COMMISSIONER FREEMAN. Employed by Bemis.

MR. HARLAM. Oh, in the total company?

COMMISSIONER FREEMAN. Yes.

MR. HARLAM. I have no idea.

COMMISSIONER FREEMAN. Could you tell us how many have—how many blacks are in that wage category?

MR. HARLAM. No, I don't—I don't even know how many plants Bemis owns, ma'am.

COMMISSIONER FREEMAN. Well, \$300 million is a—

MR. HARLAM. It's a big organization, made up of probably 40, 50, 60 small plants, scattered all over the world. And I don't even pretend to keep track of something that complex. And these are purchased companies, and acquisitions and what have you. It's not a—it's diversified.

COMMISSIONER FREEMAN. Mr. Schreiber and Mr. Harlam, it would be helpful to this Commission in our appraisal of the training programs to know from both companies the extent to which the training program itself has credibility. That is, if you have to—if there are a significant number of white persons who can go in off the street at a job, and at the same level you have a training program which has "hardcore" and those "hardcore" happen to be black, it seems to me that there's something wrong—not necessarily with your company, but something is wrong somewhere. And we need to go, of course, find out where it is, and see what we can do to change it.

And I'm sure that you would be interested in changing it, too. But we also are concerned with the extent to which a person who gets into a position at the \$1.89 level, or the \$2.50 level at Chrysler, can move to the \$6.50 level; and how long it would take him to do that.

Could we get this information?

MR. HARLAM. Well, I'll speak for Bemis—and I made a previous statement that when I came here in 1964, probably better than 30 percent of our hourly employees were black, in every gamut of the wage scale; and I think this is probably a matter of record, I think we send an audit in every 6 months or every year to the—and I don't

know what department it is, probably Counsel does know—which would give a picture of this. And we could photostat—is this what you're getting at? I think I got lost on the question.

COMMISSIONER FREEMAN. If "A" is employed today—most of them are females, so say Mary is employed today, is she still on the job at Bemis next year, and in what category is she apt to be employed? This is what we are looking for. Not only the employment and the training, but the opportunity for promotion, and mobility among the divisions.

You indicated that a lot of employees have been with the company for 20 years?

MR. HARLAM. Yes; or more.

COMMISSIONER FREEMAN. And this is why it occurred to us that you would have this information. It occurred to me.

MR. HARLAM. You would like to have a list of these employees and their—well, their job record cards you mean, as to what they have—

COMMISSIONER FREEMAN. We're still concerned with what appears in some instances to be lack of retention, and lack of mobility or promotion. Some are employed and put through a training program—and we've had companies say, well, they left after 3 weeks. Then we are concerned with the expenditure of Federal funds as to whether this is a waste of Federal funds. We are also concerned as to whether this is really an equal opportunity step or not, or whether it's just a device to get a Federal contract and still go along business as usual. This is why we would like to know about the promotion.

MR. HARLAM. I can give it to you for the trainees, if you'd like—the six people that were in the training program. Is that—the formal training program has only been in existence since—the contract was only written a year ago, December, and it didn't actually get implemented until April. I can give you the records on these—

COMMISSIONER FREEMAN. As to whether—if anybody got to the higher level.

MR. HARLAM. In the last 9 months, one man—or maybe two men, got there. And I think they both quit.

VICE CHAIRMAN HORN. I think you've got two points there that are divisible. Perhaps we need two different charts.

MR. HARLAM. Yes, I think I'm getting lost.

VICE CHAIRMAN HORN. If it wouldn't be too much trouble, let me—because there was a question I had also in mind—let me interject here just for a second. I think what we need is one chart that shows retention rate, based on mere job entry, regardless of level, at the levels that are hourly wage levels. Let's say both those that come through a training program—and I might add if we could get it for your Institute, even though you don't feed into a particular company, or a particular plant of Chrysler here, I wonder if you feed into, say, a high enough percentage in the St. Louis area so we

could then get the data from the plants and the people from your Institute in these two categories? Retention rates after—let's take the Labor Department standard of 30 days—but I think more important, I'd like to see the 6-months and 1-year retention, not go beyond that at this point. And then have the retention rates for those that went through the Bemis Bag program, which, small as it might be, the Chrysler program, versus those that came to the gate of the employment office. And I'd like to see the comparison, and break that down also as to white and black, or white and minority group.

Now, perhaps Counsel could work with you in setting up the questions or the charts, and if it isn't too much of a burden, I think this kind of information would be very helpful as we are searching, really, to see patterns, and to see what works.

Then you want to add, Commissioner Freeman, the point on promotion, which is a different question, and perhaps a little more complicated. But perhaps the Counsel could work with you in detailing that a little more specifically. Once you are employed, what opportunities do you have to go up, and then what opportunities within the plants—let's just talk about the St. Louis area—do you have for mobility at a given level, between plants?

MR. HARLAM. You're stopped by—well, unless you get beyond the scope of the union contract, you're stopped by unions.

VICE CHAIRMAN HORN. Is this based on seniority?

MR. HARLAM. Yes, right. You would have to lose all your seniority and contractual rights under—

VICE CHAIRMAN HORN. By moving between plants you would lose—is it the same union that has, say, the four plants organized here for Bemis?

MR. HARLAM. I don't think so.

VICE CHAIRMAN HORN. I think it would be helpful if we had this information, because this might be a blockage in the process we'd want to get at.

Well, I'm sorry to interject here.

COMMISSIONER FREEMAN. That's the point that I—do you understand it?

MR. HARLAM. Yes.

VICE CHAIRMAN HORN. I think Counsel can work with—

COMMISSIONER FREEMAN. We could get this information if—

MR. HARLAM. Could somebody get with me sometime and—

VICE CHAIRMAN HORN. Yes. We'll spell it out.

MR. SCHREIBER. You are asking this of both of us? Is that correct?

COMMISSIONER FREEMAN. We'd like it of both of you.

VICE CHAIRMAN HORN. Yes.

MR. SCHREIBER. Mrs. Freeman, may I get something clear here? You mentioned that you would like to have from us also the spot-welders—you know, white versus black, and you seem to think that, you know, most of them would have to go through our training

program before they would get hired, if they were black.

This is not true. So I thought—maybe what you're looking for would be our total spot-welders, white and black, and then also to know how many of those came through the training program.

COMMISSIONER FREEMAN. This would be helpful. And then we want to know, also, it would be helpful if we know of the white spot-welders who were spot-welders who move up somewhere else. We'd like the line of progression. Because our concern is with the ability to move up—not just come in as a spot-welder and stay there for 2 years. How long do you have to stay if you're black, and how long do you have to stay if you're white?

MR. SCHREIBER. Are you talking specifically about people that came in through the training program, or that's hired in—period?

COMMISSIONER FREEMAN. We'd like to —

MR. SCHREIBER. In other words, I have not—the training program hasn't been in effect that long, where at this point you take anyone who came in and was placed on the job as a spot-welder that at this point we wouldn't have had any promotions within that area yet. Because it is based on seniority as far as being promoted within a department.

COMMISSIONER FREEMAN. But it may very well be that the information concerning the person—the employee who didn't come from—through the training program is not information that you have; maybe somebody else in the company would have it. But if there are spot-welders who came in off the street, what are your chances of getting to be a spot-welder and moving up, if you are black? What are your chances if you are white? Perhaps just some figures—the line of progression and the number of months that you have to stay at a particular level.

(The information referred to appears in Exhibit No. 59.)

MR. HARLAM. Can I make a point here? We relate pretty much to the man from Mallinckrodt who was here earlier. Job vacancies—and this is a contract paragraph:

When permanent vacancies occur or any new jobs are created within the bargaining unit, the company will post a notice of such vacancies on the bulletin board of the department in which the jobs exist for a period of one working day, so that employees in the department may have the opportunity to apply for them.

So we have, number one, departmental seniority.

If no qualified applicants have applied for the posted jobs, notice of vacancies will be posted on the plant bulletin boards for a period of one working day so that all plant employees may have the opportunity to apply.

So, if you do not have departmental seniority, even though you may have some plant seniority, you can still not get it if you've got into the wrong department. See what I mean? And it's sort of like a game of chance—you're shooting dice on this type of a contract.

COMMISSIONER FREEMAN. Mr. Harlam, you see, this is one of the



concerns. Because you see, in our other hearings we have found in many instances in other communities a pattern of discrimination, such that it would never be possible for a black person to be promoted on the basis of seniority because he wasn't in the job in the first place. And so this is why we need even to look at this. If this is part of a union contract, and the union itself excludes, for instance, any union—if this would be true, then you see, it would be a self-fulfilling prophecy, and at the end you would still have racial discrimination—no black people at certain jobs, no black people ever having an opportunity to get promoted, because they never could achieve this seniority.

This is why we want to have as broad a picture as possible.

MR. HARLAM. This clause was put in the contract, and has been put in many contracts, at the request of the union, as a nondiscriminatory clause, because of the union's contention that in the absence of such a clause, then management does have discriminatory prerogatives, which they exercise.

COMMISSIONER FREEMAN. This is why we would like to examine it, to see how much equality of opportunity has been provided by the union in such clause.

MR. HARLAM. Yes. I'm not trying to justify the validity of that argument. I'm just placing it out there. This clause was put in here, well, in the last 4 years.

VICE CHAIRMAN HORN. Could we have that clause for the record? Would you furnish it to us after the session? Let's insert it at this point in the record.

Without objection, so ordered. Dr. Rankin?

COMMISSIONER RANKIN. Well, many of my questions have already been asked, but I do have one question I'd like to ask both Mr. Harlam and Mr. Schreiber.

What rewards, what tangible rewards, can you offer to the people to take the in-service training program? If, for instance, at the Bemis, if you're hired at \$1.89, whether you're going to take the training or not, and the wage scale is within a narrow limit, what tangible rewards—you say: "You'd better do this; it's good for you." How can you prove that?

MR. HARLAM. Well, you do it with a sell job. I mean life is —

COMMISSIONER RANKIN. Beg pardon?

MR. HARLAM. It's a selling job, let's face it.

COMMISSIONER RANKIN. Well, you've got something to sell, then?

MR. HARLAM. Yes. There's a lot of difference between \$1.97 and \$3.27. This is what you're —

COMMISSIONER RANKIN. And with the in-service training —

MR. HARLAM. Now, if you can't read, if you can't write, if you can't measure, you'll never qualify for the \$3.27 job. So you can—there's more small print here which says, "provided you're qualified."

You've got to—I can't put a man on a printing press and tell him to center up a plate that's  $37\frac{1}{2}$  inches wide on a  $48\frac{3}{8}$  cylinder if he can't add, subtract, know fractions, and measure. Now, I can't guarantee this man that this opportunity will occur, but I can guarantee him that if he'll go into this training program I'll teach him how to do fractions and add and subtract and measure, and the other necessary things that will enable him to qualify for the job when and if it's posted and when his signature and his seniority and all the other chips fall right for this particular man.

COMMISSIONER RANKIN. Well, do you think that's a good guarantee of tangible results of a training program, or not? That's what I'm interested in.

MR. HARLAM. Well, no. And this is one of the objections of the trainees themselves. "Look, I've been in this program 3 months. When is this golden opportunity coming up?" And you're hard-pressed for an answer. I'll be quite frank, because I have to say: "Well, just as soon as we get an opening, you'll get into it." "When's that, next week? Give me a date." And I don't blame them. But I'm saddled with a lot of rules and regulations—contractual rules, governmental rules, this, that, and the other thing. And I have to work within these frameworks as well as I can.

COMMISSIONER RANKIN. I'll turn to Mr. Schreiber. Has anybody ever made a study that you could say: "Look what's happened to these people who've taken our in-service training. They've advanced more rapidly, they get more money." Do you ever spell out the returns to them for taking an in-service training course?

MR. SCHREIBER. I didn't mention the fact that our rate, while they're in our training program, per hour, is \$2.50. And when they are placed on a job they would go in somewhere—and this is our spot-welder, their rate of pay is \$3.77 per hour.

COMMISSIONER RANKIN. But they still drop out. That reward is not strong enough to keep them in the in-service training program?

MR. SCHREIBER. That's correct.

COMMISSIONER RANKIN. Is the teaching this bad, or is it that the students are no good? Or what is it?

MR. SCHREIBER. I wish I could give you an answer to it. I'm running surveys and trying to come up with one thing—but I don't think there's any single thing you can point out.

COMMISSIONER MITCHELL. Is it because they're black?

MR. SCHREIBER. No, I wouldn't think so.

VICE CHAIRMAN HORN. What do your surveys at this point show with regard to that question? Have you asked that question, as to their relations on the job? It is one thing, it seems to me, to go to a training school where 90 percent were black, but then you get out in the factory, on the floor, in a production situation, and perhaps

you have a very low proportion of blacks. Have you found there is a problem in terms of on-the-job human relations?

MR. SCHREIBER. We haven't, to my knowledge, run into this. Like I mentioned, we have follow-up people in the plant there, to help them work out any problems they might have. We've been successful in even to the point of getting job changes for them, where they might have—in fact, I can recall one case where we put a man on nine different jobs.

VICE CHAIRMAN HORN. Your surveys, I take it, then, are really in the nature of personal observation and oral counseling in the plant, rather than a written survey or anything like that?

MR. SCHREIBER. This is correct, yes. We haven't ran this —

VICE CHAIRMAN HORN. Has anybody asked the question as to black-white relationships and what effect this has had on retention in the plant? When a person has left, after going through your program, working a number of times—I mean, do we know, do they leave to get a better job opportunity, a higher wage, or just why they leave?

MR. SCHREIBER. I don't know this yet. There was no survey made in this regard. It's a good point.

VICE CHAIRMAN HORN. Are you planning such a survey?

MR. SCHREIBER. I don't know why we couldn't make this survey.

COMMISSIONER MITCHELL. Exit interview?

VICE CHAIRMAN HORN. An exit interview, as Chancellor Mitchell says.

MR. SCHREIBER. Yes.

VICE CHAIRMAN HORN. Dr. Rankin, did you have any further questions?

COMMISSIONER RANKIN. No.

VICE CHAIRMAN HORN. Let me just ask one or two, and then we'll move along.

You mentioned earlier, Mr. Harlam, that in this training program you had broken the jobs down into component parts for the purpose of films. One thing that concerns me, especially at the higher levels of college graduates—and I'm wondering if there is any analogy we can make for jobs filled by grade school or secondary school graduates—is that I think many of the jobs have greater requirements needed for entry into the job in terms of formal education than are perhaps needed for actual conduct of the job. I'm thinking now of professionals, where their jobs can be broken down into sub-professional skills, where a high school graduate or a junior college graduate could handle it just as well as a college graduate, if the work was properly organized.

Does this analogy hold over to the type of employees that you are employing and has any work been done on how to break down the jobs into manageable parts? And, also, on this problem, Mr. Schreiber, where you mentioned the McGraw-Hill Test, have we found

that perhaps their score on the test did not really relate to their actual performance on the job?

MR. HARLAM. I think I was guilty of both those questions, or statements.

In the first place, there is not the volume of specific types of work—I mean we're a small plant. You're not talking about a Chrysler or a Mallinckrodt now. You're talking about a little country plant with 280 employees, or 60 employees.

So, for instance, in the Moldwall product line, we have one mold-wall baler—and that's all. Now, you can't break one man down into a lot of jobs. So how do you cover for this guy until he reaches his minimum levels? He can't put the tags on the bales yet, because he can't tell which tag to put on which bales. We have a clerk go over and do this part of the work. In other words, we subsidize or implement his work with clerical people, and we do break it down in that sense. But we can't break the jobs down because there are too few jobs. We've got something like—well, you've got 360 employees, and probably 60 or 70 jobs, so it averages out not over six employees per job. And of course it doesn't work that way—a lot of them—you might have 20 or 30 of them operating power sewing machines. Well, when you operate a power sewing machine—certainly, we break the machines down, we have one girl do over-stitch sewing, one girl do lock-stitch sewing, and one girl do chain-stitch sewing. We do break it down as far as we can, to simplify the skills.

But, there again, you don't want to break it down too much, because then you're going to throw all your jobs into unskilled labor.

VICE CHAIRMAN HORN. Does the school system in your particular areas have adult literacy programs at all, that are available?

MR. HARLAM. Yes.

VICE CHAIRMAN HORN. Does the company cooperate with the school system in perhaps some of this training?

MR. HARLAM. Yes. We would pay 100 percent of all educational costs of anybody that wanted to take any course remotely related. But there isn't an interest. These kids are school dropouts. If they were interested in school, they wouldn't have dropped out. So they want something different.

VICE CHAIRMAN HORN. Of course, sometimes the reason they drop out is they've had poor teaching. I think one of the most moving experiences I ever had was in Rosemead, California, where a series of dropouts had been brought back into the classroom at age 18 through 30, because of stimulating teaching that really dealt with problems that they were concerned with, and improve their literacy. In fact, this was the only group that ever asked me an intelligent question in one political campaign. I mean they were just immensely

alert; and they couldn't read before they got in that. They couldn't even read at second grade level.

I just wonder if the industries in your particular area are cooperating with the educational system, and vice versa.

MR. HARLAM. Right. There are many excellent adult education courses offered all over the—high school equivalency, grade school—all over the area. And other people are more—I had a list of five or six where you could practically go to school in your backyard in the evening, they're so well distributed. I think the University of Missouri Extension Service has a number of these schools.

But they seem to like to relate—they like—even in our limited course, the basic education part—and we limit this to 40 minutes—just 40 minutes of it, our people get it clear up to here. Then we start swinging into the job, show them the machines, how does this machine work; and then we have the case studies. We'll throw out—well, we use all the various tools—role playing. You're the foreman, you're the employee, you came in late—all this stuff.

VICE CHAIRMAN HORN. How about the question there on the level of education as proven by a particular national test; in this case, McGraw-Hill, as opposed to their formal level, which was higher? And did it really matter on the job? Do you find there is a real correlation between those tests?

MR. HARLAM. Yes, because it's one thing to know something and it's another thing to apply it. And this is strictly an adult education series. It may not be the best. It's just one of many that we chose from.

But we can take this and relate it, actually, to practical application. You teach a guy how to center up a roll on a shaft, in the classroom, using the measurement book, for example, and 30 minutes later he's out there on the job and he's doing it.

VICE CHAIRMAN HORN. Mr. Schreiber, did you have anything to add to those two questions, just based on your general knowledge of education and training?

MR. SCHREIBER. What we're using is when they come in, we give them a diagnostic test, just to determine their placement in arithmetic and reading kits which we have. We use scientific research material, grade 0 to 3, and 3 to 11, and we use rate builders, power builders. And then we also have the SRA math material and MINE, Inc. materials.

VICE CHAIRMAN HORN. Mr. Schreiber, one last question. In the case—here you've spent an intensive period in the Chrysler Institute, training men at a particular point in time. They then go out to plants. Do you feel there is sufficient plant follow-up in terms of continuing their training and working with them, to develop them and continue to develop them to a certain level of proficiency?

MR. SCHREIBER. You mean after they're placed?

VICE CHAIRMAN HORN. Yes.

MR. SCHREIBER. Placed on a job?

VICE CHAIRMAN HORN. Yes. I mean here they've had all this attention, of how to do a job. Do you feel that perhaps retention rates are low, if they are low, in plants, is that there hasn't been sufficient —

MR. SCHREIBER. — that they've lost this personal attention that we give them in the Center?

VICE CHAIRMAN HORN. Yes. We faced the problem with the Head Start Program.

MR. SCHREIBER. Yes, I do believe this. I think that we can be more closely associated with them, give them real close, individual training, and I think that it has some effect on them after they are placed in, say, a large industrial plant. We've got follow-up people that keep in contact with them, but then they're on their own, and they can't get the individual attention.

VICE CHAIRMAN HORN. Yes. Gentlemen, did you have any final comments you wished to say at this time?

MR. GLICK, did you have that comparison chart put in the record, or did you wish it put in the record?

MR. GLICK. I did enter it into the record.

VICE CHAIRMAN HORN. You did enter it. Very fine.

Thank you very much. You have been very helpful to us in trying to deal with this problem.

Our next witness is Mr. Frank Lockett, minority professional personnel specialist. Mr. Lockett.

(Whereupon, Mr. Frank Lockett was sworn by the Vice Chairman and testified as follows:)

**TESTIMONY OF MR. FRANK LOCKETT, ST. LOUIS, MISSOURI.**

MR. GLICK. Mr. Lockett, will you please state your name, address, and occupation for the records?

MR. LOCKETT. Frank Lockett, 818 Olive, St. Louis, Missouri, is my name and address.

MR. GLICK. And what is your occupation?

MR. LOCKETT. I have a personnel agency that specializes in placing minority group members on the professional level.

MR. GLICK. How long have you been in business?

MR. LOCKETT. Since March of '69.

MR. GLICK. Mr. Lockett, what suggested to you that a special employment agency for minority group professional people was necessary in the St. Louis area? Or not only necessary, but would be effective in the St. Louis area?

MR. LOCKETT. Primarily because I worked in the personnel field in private industry for some 4 years, and I saw during that time a tremendous need for an organization of this type to act as inter-

mediary between business and industry and the Negro professional. Primarily because I felt that business and industry was looking for this type of employee, and knowing that black professionals were actively seeking jobs on this level. These two evils prompted me to go into it.

MR. GLICK. Why can't black professionally trained people go directly to industry? Why do they need an intermediary?

MR. LOCKETT. There's a communication gap. I'll tell you what most of the employers always say. They can't find qualified black people for their management-type jobs; they can't find them, or they're not available.

On the other hand, black people who are seeking these kinds of jobs have some difficulty in finding the employer who has the job available.

So I offer this marketplace in the middle of the road where both could find each other.

MR. GLICK. Well, there are many black —

COMMISSIONER MITCHELL. Excuse me—can I interrupt you there for just a second?

MR. GLICK. Yes.

COMMISSIONER MITCHELL. Can we have a definition of "professional" so we —

MR. LOCKETT. From me?

COMMISSIONER MITCHELL. Well, yes, just so we know we're using the word in the same sense.

MR. LOCKETT. Professional is probably the term used by my organization that's a little bit different from the connotation that you would probably use.

Professional, to me, or my organization, means a person who has a college degree or a person who has some experience on any particular profession—not necessarily doctor, lawyer—this kind of background.

COMMISSIONER MITCHELL. Thank you.

MR. LOCKETT. White-collar positions.

MR. GLICK. Well, I was going to ask you, Mr. Lockett, there are a great number of black professional people in the St. Louis area. By whom are they employed, if not by industry?

MR. LOCKETT. I would say, if they are not teaching school or if they're not employed by the Federal Government, the State or the city, they're unemployed, for the most part.

MR. GLICK. So then most of the black professionals in, say, business accounting, or engineering or teaching or whatever it might be, are employed by governmental organizations, at whatever level it might be?

MR. LOCKETT. Correct, for the most part.

MR. GLICK. Well, to follow up on that, I'd like to ask you, why

do you think that if Government organizations can find black people who are professionally trained and experienced, why industry can't?

MR. LOCKETT. Primarily because governmental organizations tend to spend a little bit more emphasis on training. They are willing to take the individual with no experience and put him on the job and train him; whereas business and industry has the problem of wanting the individual to perform the work as soon as he enters the job.

This is one reason. I would have to go back and say the second reason is for some time black people were not accepted in these kind of jobs. This was some time ago, and now it's a carryover in the minds of blacks, that there really isn't opportunity in the ranks of business for them, in positions of responsibility.

So they go where they know that they can find—where history has said that blacks have been employed in positions of the Government, or they have taught school. So they tend to go here.

MR. GLICK. Well, has this resulted in concentration of black professionals in particular areas, particular disciplines, like teaching? In what other areas have they been concentrated in their educational background?

MR. LOCKETT. I didn't understand the question.

MR. GLICK. Well, what I want to get at is, are the black persons with professional backgrounds concentrated in any particular area of experience or of training? Teaching is one that you mentioned. Are there others? Or is this the primary one, or are they primarily in business training, or in engineering training, or is there any area in which they have, over a period of time, because of their relationship to Government work, been concentrated?

MR. LOCKETT. Okay. If I understand you correctly, you're saying why is it that the Government employs so many people with teaching or education degrees. Is that what you're asking me? I'm —

MR. GLICK. Well, that's just one of the areas. I'm wondering if there are not other areas where black people have traditionally gone to study and have gotten their experience, to the exclusion of other areas?

MR. LOCKETT. Well, let me go back. I didn't mean that black people with education degrees necessarily go into Government. They go into the school system. I meant that black people, whether they have engineering degrees, accounting degrees, business degrees—whatever kind of degree they have, they tend to go into the governmental pattern for employment. So perhaps I answered your question then.

MR. GLICK. What I want to get to is, are these skills and these professions that the people have used in working for Government, transferable into industrial jobs?



MR. LOCKETT. Oh, okay, Now it's clearer. Yes, they are. Very much so. I haven't seen an academic discipline yet that couldn't be used in business or industry, somewhere. Not necessarily the discipline so much, but the individual who has the background.

Areas of personnel, areas of production management, there are many areas that all you need is the desire to succeed. And you can be qualified for those positions.

I also feel that primarily, I would say in St. Louis, we do have this problem of trying to get the cream of the crop, which means that we want the person to already be able to do the job once he is hired, rather than to assimilate, particularly blacks, into management training programs where their forces are—management forces will be integrated in the future. This is the kind of difficulty that St. Louis possesses now.

MR. GLICK. You mean that industry or whatever employer who does hire a black professional person, wants some superior qualities from him that they would not expect from a Caucasian person?

MR. LOCKETT. That's a loaded question. Let me say it this way: Normally, in my experience in business, the personnel field, I am normally asked to find the individual who will already possess the experience—not the individual who is trainable, with the academic achievements that's necessary to show that he can perform, if trained. I think I can best say it that way.

MR. GLICK. And does this factor make it harder to place black professionals in the St. Louis area?

MR. LOCKETT. Sure it does, because we haven't been putting blacks into positions of responsibility to acquire the experience long enough to ask for any large amount of experience behind the discipline and academic discipline. So it makes it quite difficult.

MR. GLICK. Thank you. Mr. Chairman, I have no further questions for Mr. Lockett.

VICE CHAIRMAN HORN. Dr. Rankin? Mrs. Freeman?

COMMISSIONER FREEMAN. I have no questions.

VICE CHAIRMAN HORN. Dr. Mitchell?

COMMISSIONER MITCHELL. No.

VICE CHAIRMAN HORN. I have only one question. I wonder—it's a very interesting role you fulfill here, as the broker between the black professional and industry.

How are your services paid for, and is this a problem in terms of the access to this brokerage role? I mean do you expect the professional or the corporation, or is it a mixture of the two, to use you in this role?

MR. LOCKETT. It is a problem. The way I'm compensated is from the employer.

VICE CHAIRMAN HORN. In other words, they charge you to go out and look for a particular type of individual to fill a position?

MR. LOCKETT. No, they don't charge me to go out and look. Normally, I am not retained by any firm to say that I actually work for a firm. If I am given specifications for a certain job, I'm competing, I like to feel, with other agencies or other medias of finding people, in terms of actually—well, you don't get paid if you don't perform, or if you don't produce. This is the method that I use—that employers use.

I would much rather work on a retainer basis. However, to pay for blacks, or to pay for an individual who has been somewhat inferior, hasn't caught on quite readily in St. Louis.

VICE CHAIRMAN HORN. In some areas of the country the local branch—or in this case it would be the Missouri State Employment Office—would have a separate office, often physically separated from the regular employment/unemployment office, which is strictly designed to place professionals. Would you know, offhand, if such a special office exists in this area and, if so, what has been the experience of black professionals in placement there?

MR. LOCKETT. I'm not an authority in this field. However, I do know that Missouri State possesses professional employment area. How involved they go into the recruitment efforts, I couldn't say. I never see them advertised in the newspaper or necessarily radio or any other media, to obtain or to let people know that certain vacancies exist.

I guess this is where I differ from Missouri State to a great extent.

VICE CHAIRMAN HORN. In other words, you do advertise?

MR. LOCKETT. I advertise. I have other means and methods of acquainting blacks that positions are available also.

But back to Missouri State, I understand that the State employment agencies are—well, let's say they're very up-to-date in many areas, or many States. I have heard recently that Missouri State is a little bit lax in their area of professional recruitment. This I could not swear to.

One thing that really caught my fancy was that I heard that Missouri State actually went to colleges—not Missouri State, but the State employment agencies in other States—actually recruited at colleges. If this is true, I don't know. But I doubt if Missouri State does it.

VICE CHAIRMAN HORN. I'd like the staff to get a statement from the Missouri State Employment Service for insertion at this point in the record, as to the degree to which they have a separate professional placement operation, and over the last year or two, in terms of the county and the city, what percent of placements were black and white. (The information referred to appears in Exhibit No. 51.)

COMMISSIONER MITCHELL. Mr. Lockett, my notes show you've placed some 50 black professionals in this area. Is that fairly accurate?

MR. LOCKETT. It's more than 50. Closer to 100.

COMMISSIONER MITCHELL. Good. Would you hazard just a rough estimate of the high average and the low average compensation of the individuals you've placed? Or just an average, just a median or an average would be all right.

MR. LOCKETT. The reason I'm hesitating so long is because we get involved in locale, as far as State to State.

COMMISSIONER MITCHELL. Well, I'm talking about just the St. Louis area.

MR. LOCKETT. Okay. I would say around \$7,200 as a starting salary would be the average.

COMMISSIONER MITCHELL. What would you say would be the top—roughly?

MR. LOCKETT. There again we have to go to—if it's an entry-level job, or if it's a job that calls for a degree of experience.

COMMISSIONER MITCHELL. Well, what I'm really interested in is the capability of people you place who have substantial income to live where they'd like to live.

MR. LOCKETT. Well, if you're asking me the average salary of all placements, it would have to be around \$8,000.

COMMISSIONER MITCHELL. But there are some substantially higher?

MR. LOCKETT. Right. And some substantially lower.

COMMISSIONER MITCHELL. Yes. Where do those people live?

MR. LOCKETT. Locale again would be a problem.

COMMISSIONER MITCHELL. I'm talking now about the St. Louis area. Are they able to live in suburban communities? Do they live in the inner-city? Do they have some freedom of choice? At high income levels?

MR. LOCKETT. Well, of course, most of your people that I'm involved with who so far have been placed through my agency, have taught school for some time and possibly in the last 3 to 5 years, they've moved to the county. So I would have to say possibly the county.

COMMISSIONER MITCHELL. They're scattered all across the county?

MR. LOCKETT. No. University City. From University City to Florissant—I would have to go back to the city, once I really think about it, and say a large part of the individuals are in the city of St. Louis, living. So, I'm pretty hazy on the answer that I'm giving you.

COMMISSIONER MITCHELL. Thank you.

VICE CHAIRMAN HORN. Mr. Glickstein?

MR. GLICKSTEIN. Just following up on Dr. Mitchell's questions, you did mention that you have some out-of-State clients. Is that correct?

MR. LOCKETT. True.

MR. GLICKSTEIN. How attractive is the prospect to your out-of-State clients, as well as to some of the people in this area, recent

college graduates; how attractive is the St. Louis area as a place to live?

MR. LOCKETT. It's very unattractive. It's known, at least it's thought generally that St. Louis doesn't possess opportunities, particularly for the young black, who is just graduating from college or who has been out of college for a couple or 3 years. He prefers not to come to St. Louis.

MR. GLICKSTEIN. You're talking about employment opportunities. What about the housing? Do people from out-of-State ever ask you: "Well, where can we live if we move in here? What's the housing situation like?"

MR. LOCKETT. No, I don't get these kind of questions directly. However, if there is no opportunity for employment, then surely they must believe there is no opportunity for decent housing. Because then it becomes an economic problem.

MR. GLICKSTEIN. Mr. Lockett, one of our earlier witnesses mentioned that he had—that his company had recently participated in a job fair, or a career opportunities weekend, sponsored by your concern. Will you tell us when that occurred, and just a little bit about how many people attended, and how successful or unsuccessful you think the affair was?

MR. LOCKETT. Okay. Career Opportunity Weekend is what the conference was labeled. It occurred on December 19 and 20. The number of applicants there was somewhat over 500. Most of them, all degreed, most with some experience—whether it was teaching school, working for the State of Missouri, some experience.

There were some recent college graduates—or some college students—who will be graduating in 1970.

We had some 19 companies and seven colleges participating. I like to think that the event was a success, because it touched—it started something in St. Louis that I hope will not end soon; and this is the actual showing of business and industry, of business and industry actually showing their concern and their interest to upgrade black people into positions of responsibility, or to place black people into positions of responsibility.

The success of this, I can't fully answer it now. It looks from the outside as if it was very successful. The way I will determine how successful it was will be through the number of placements, the number of people that was actually hired. It will be another 30 days, 45 days, before I'll have these figures.

But from the part of participation, it was successful. However, there are some firms that—in St. Louis—that I feel should have participated, needed to participate, from the ranks of their minority group employees. However, this is another story.

MR. GLICKSTEIN. How many of the 19 companies were from the St. Louis area?

MR. LOCKETT. You mean home-based, or have facilities here?

MR. GLICKSTEIN. Who have facilities here.

MR. LOCKETT. All of them had facilities here.

MR. GLICKSTEIN. In 30 or 45 days, when the final count is in, we would appreciate it if you could communicate with us and tell us just what the placement rate was like.

MR. LOCKETT. I'd be happy to.

MR. GLICKSTEIN. I have no further questions.

VICE CHAIRMAN HORN. Any further questions?

Thank you very much, Mr. Lockett, for being with us.

The Commission will recess now until the evening session, which will begin at 7 o'clock, with a panel of black workers, to discuss the problems of suburbia.

(Whereupon, at 5:18 p.m., the Commission was recessed, to reconvene at 7 p.m., this same day.)

#### THURSDAY EVENING SESSION

JANUARY 15, 1970

VICE CHAIRMAN HORN. The evening session of the United States Commission on Civil Rights is now in session. We will have as the first order of business this evening until approximately 8:45 two different groups. One is a panel of black workers discussing the problems of suburbia.

Will Mr. Eugene Hamilton of the Fenton Truck Plant, Chrysler Corporation, Mr. Ernest Dean, Fenton Truck Plant, Chrysler Corporation, Mr. Mango Ali, McDonnell Douglas, and Mr. Percy Green, formerly with McDonnell Douglas, please take the stand?

(Whereupon Mr. Mango Ali, Mr. Ernest Dean, Mr. Percy Green, and Mr. Eugene Hamilton were sworn by the Vice Chairman and testified as follows:)

**TESTIMONY OF MR. MANGO ALI, MR. ERNEST DEAN, MR. PERCY GREEN, AND MR. EUGENE HAMILTON, ST. LOUIS, MISSOURI**

VICE CHAIRMAN HORN. Mr. Glickstein?

MR. GLICKSTEIN. Would you each please state your full name and address for the record?

MR. ALI. Mango Ali, 4155 N. Newstead.

MR. HAMILTON. Eugene Hamilton, 8732 Agnes.

MR. DEAN. Ernest Dean, 6318 Derby.

MR. GREEN. Percy Green, 4154 N. Newstead.

MR. GLICKSTEIN. I am going to direct questions alternatively among the group of you gentlemen.

Mr. Green, where are you employed?

MR. GREEN. I am unemployed at this time.

MR. GLICKSTEIN. What organization or association are you connected with?

MR. GREEN. I am chairman of ACTION.

MR. GLICKSTEIN. And what sort of a group is that?

MR. GREEN. It's a human rights organization, civil rights for most part.

MR. GLICKSTEIN. Has ACTION done any investigations in the area of employment?

MR. GREEN. Yes, we have.

MR. GLICKSTEIN. Do you have a special committee to handle that?

MR. GREEN. That's correct.

MR. GLICKSTEIN. And have you done a study of the employment practices of the McDonnell Douglas Company?

MR. GREEN. We have.

MR. GLICKSTEIN. What was the composition of the people, the committee of people who did this study? About how many people were there?

MR. GREEN. The composition of the persons that did the study totaled to be 57 first. The composition was 21 blacks and 36 whites, both male and female.

MR. GLICKSTEIN. And this group of people, Mr. Green, were employees of the McDonnell Douglas Company? Is that correct?

MR. GREEN. Yes, they were employees as well as ACTION persons.

MR. GLICKSTEIN. What type of complaints had you received prior to the beginning of this study?

MR. GREEN. Many complaints from employees and other persons who went to McDonnell to seek employment regarding, you know, decent paying jobs there. And also complaints pertaining to upgrading and transfer.

MR. GLICKSTEIN. When was your study conducted?

MR. GREEN. ACTION's study was conducted beginning October 1, 1968 and our completion date was May 5, 1969. And I might add that the study is still in a continuance form—fashion.

MR. GLICKSTEIN. But the results as of May were released approximately at that time?

MR. GREEN. That's right.

MR. GLICKSTEIN. Could you tell us very briefly how the study was conducted?

MR. GREEN. This study was conducted by information obtained by casually—by persons casually moving from department to department, counting heads and casually asking questions and talking to department officials in the most sophisticated fashion in order to get an accurate—somewhat of an accurate head count of blacks there who are employed.

Mr. GLICKSTEIN. Had the committee met before the study to work out their strategy and the way they were going to do it?

Mr. GREEN. The committee met in order to compile this information. And our results reads as follows as it pertained to the discriminatory pattern there at McDonnell:

Male white-collar jobs, the total, 16,880. Among this total the black male employment was only 400. Among females in that same type of work, there was a total of 3,250, of which there were 80 black females.

The study also points out as far as the statistics of breakdown that blacks only hold the menial tasks and of all categories, union as well as the managerial positions.

Mr. GLICKSTEIN. Would you say that that was the general conclusion of your study?

Mr. GREEN. That is the general conclusion of the study.

I might add, as far as a good example, to be much more specific, among foremen there is a total of 350. There is only one black. General foremen, there is 106, of which zero is black. Among 16—I mean among assistant foremen there is a total of 1,215 and there is 36 blacks.

You will find that black people hold a three to one margin, the ratio of whites versus blacks, three to one only in such categories as cafeteria and cafeteria type work, semi-skilled crafts, which in most cases is misleading.

Mr. GLICKSTEIN. Mr. Green, did you find that black workers at the McDonnell Company had problems in the area of upgrading?

Mr. GREEN. Oh, yes, yes, by all means.

Blacks requesting to be upgraded was approximately 174 who were disqualified out of a total of 268 of a mixed group.

Lateral transfers: Of 149 total, six blacks were considered. That does not say that they actually got the transfer.

Mr. GLICKSTEIN. Mr. Green, have the results of your study been relied on elsewhere in the community?

Mr. GREEN. Yes. Congressman Clay had conducted a study of his own and his study came very, very, very close to the study in which we had conducted and he so said so. I mean he also issued that publicly.

Mr. GLICKSTEIN. Mr. Green, how would you describe McDonnell's image in the black community of St. Louis?

Mr. GREEN. McDonnell's image in the black community is about one of the worst that any employer could develop. Many black people in the black community look upon McDonnell as a vehicle of being shot through the grease, so to speak. They learned that either from their constituents, fellow brothers in the community or if not, they have witnessed this as being fact. You know, perhaps accepted into one of these Mickey Mouse jobs and then turned right

around and let go for some menial reason, so to speak. And that is because of many black employees who are, or have been working there, realize the nature of the many racists employed—foremen, so to speak, the attitude of the company in general, the attitude of the union. And—but among those, the so-called responsible Negro by white standards, perhaps McDonnell is looked upon as a fair employer because of the tremendous amount of publicity that has been beamed out into the community through the Urban League and some of those other apparatus. But, by and large, McDonnell has a very, very, very bad and racist image.

MR. GLICKSTEIN. How would you say, Mr. Green, the black community reacted to the recent awarding of the F-15 contract to McDonnell?

MR. GREEN. The black community, those that are aware and those that perhaps are employed there at McDonnell looks upon that as being the most—looks upon this act as being a complete smack in the face of the black community. How in the world could a company that has had as many complaints levied against it along racial lines, a company who has yet to have 10 percent black employment with this company getting more or better than 90 percent of their work from the Government, and yet be let a contract, a contract of—that falls into the billions of dollars.

This only indicates that the Government itself aids white racism to be practiced upon black people here in St. Louis and it is a very, very, very, very hostile attitude that the Pentagon, the Government itself, is perpetrating upon the black community by awarding a racist operation a contract of this nature.

And I would suggest and recommend that if you people could do nothing else than to get that contract turned around, that in itself would indicate that the Government is showing good faith for the best interests of St. Louis and could very well gain some faith in these investigations and so on and so forth.

MR. GLICKSTEIN. Mr. Green, I'd like to go on, please, to some of the other members of the panel but we will be back to you.

MR. GREEN. Okay.

MR. GLICKSTEIN. Mr. Hamilton, when Dean Horn introduced you he indicated that you were employed at the Chrysler Truck Plant at Fenton. Is that correct?

MR. HAMILTON. That's correct.

MR. GLICKSTEIN. How long have you been employed there?

MR. HAMILTON. Five and a half years.

MR. GLICKSTEIN. Would you very briefly tell us whether there are similar problems concerning upgrading of black employees at the Chrysler Truck Plant?

MR. HAMILTON. Yes, there are similar problems. The fact remains that in blacks receiving promotions which happens very rarely be-



cause of the fact we only have six black, or three black foremen there, and—or maybe four. I could be mistaken in the number. But I think it is four black foremen that I know of myself.

On the other hand, you never know when a salaried job might come open in the way of maybe a general office worker or even personnel.

Now, there is also the fact that skilled trades is hard for a black man to get into because first of all, you have to have a lot of requirements and those that have the requirements are turned down when they go up front and this is in our two personnel departments, to apply for these skilled trades jobs.

The only time that you know these skilled trades are open is maybe through gossip on the floor, you know, or restrooms.

Mr. GLICKSTEIN. They are not posted or anything?

Mr. HAMILTON. No, they are never posted.

Another thing is that the employees that hold these jobs or higher jobs, as we call them out on the floor, are usually on the same level maybe 6 or 7 years later. Or in the case of our plant, 3 years later.

There are some guys that have been in the salary jobs that have never gotten a promotion. These are usually the black employees.

Mr. GLICKSTEIN. Are there any informal means at the plant, Mr. Hamilton, by which white employees are aided in getting promoted?

Mr. HAMILTON. Yes. First of all, you have got the buddy system there where the white worker, he is always the buddy of the foreman so he has easy access to maybe knowing about a job that is coming open. Not only that, but I always contend, and most of my fellow workers contend, that management not only condones this form of method but they contribute to it inasmuch as getting the foreman it seems that has highly racist attitudes—or has a high racist attitude and some of these people that they have currently hired as foremen are known as devout racists.

Mr. GLICKSTEIN. For example, Mr. Hamilton, are white workers ever temporarily given a higher graded job which benefits them in ultimately getting it?

Mr. HAMILTON. Right. They are. The white workers, and I must add, the white hourly rated worker, is usually put up on a temporary basis as reliefman, maybe temporary repair, something of this nature, where management can actually go 5 days before the union can do anything about it. And after being notified that—the union notifies them that they know about this temporary condition existing then they have 5 more days before the grievance is submitted. If the grievance is submitted, and on most parts the grievances aren't submitted because the union is actually taking part and are in conspiracy with management.

Mr. GLICKSTEIN. Does it help a white employee to be in this tem-

porary position? Does that help him to get his promotion? Is that taken into account when it is decided to upgrade him or not?

MR. HAMILTON. Yes, it is. You see, we are upgraded on the basis of seniority and ability and in a lot of cases, I should say especially in Department 9110, we have had blacks that were eligible to go up by virtue of seniority into some of the higher paying jobs such as repair, metal repair. This is the highest job within 9110 that can be attained. These individuals that go up on this job are soon taken off because of the fact that they don't have the ability to do the job. Management has kept them away from the knowledge of this particular job.

MR. GLICKSTEIN. And management determines it? That is a management decision?

MR. HAMILTON. That's right, they determine this.

MR. GLICKSTEIN. Mr. Hamilton, is there a black workers association of any sort at Chrysler?

MR. HAMILTON. Yes, there is. It is the Black Employees of Chrysler.

MR. GLICKSTEIN. What's your position, if any, in that association?

MR. HAMILTON. I am chairman of that group.

MR. GLICKSTEIN. Now, I would like to ask Mr. Ali a few questions. You are employed at McDonnell Douglas; is that correct?

MR. ALI. Yes, this is right.

MR. GLICKSTEIN. How long have you worked there?

MR. ALI. Thirteen years.

MR. GLICKSTEIN. What sort of work do you do?

MR. ALI. I am an electrical inspector.

MR. GLICKSTEIN. And that's an hourly paid job?

MR. ALI. Yes, it's hourly paid.

MR. GLICKSTEIN. How does one become a foreman at McDonnell?

MR. ALI. The only way—well, there are two systems that one can become a foreman. Number 1, he can go over to personnel transfer and request that he become foreman and he from there takes a test and if he passes the test, then he goes before a review board. And then if he passes this, then his name is put in a pool that consists of everybody who wants to be a foreman. Then when department heads from various parts of the company, they need a foreman, they will—this is theoretical now—they will ask personnel for some names and personnel will reach into the pool and pull out some names and submit it to them and then they will agree on it. This is one system.

Another system is that a department head, he realizes that he needs assistant foremen and he would choose people who actually work with him that he knows and tell them to go over to personnel and to take the test and then if they pass it to go before the review board and then he asks for these people individually.

MR. GLICKSTEIN. That is sort of preselection?

MR. ALI. That's exactly right. This is the system that is more widely practiced at McDonnell than any other.

MR. GLICKSTEIN. And this gives the supervisor a great deal of control in determining who the assistant foremen are going to be?

MR. ALI. That's exactly right.

MR. GLICKSTEIN. Do you feel that white workers and black workers receive similar breaks under this system?

MR. ALI. No. No, they do not receive equal treatment, if that's what you are saying.

MR. GLICKSTEIN. Yes.

MR. ALI. Because in most instances the one who is a white foreman's buddy will be another white employee so consequently he is going to pull his buddies up through the system first and that is, even though there may be some white employees that are more qualified, white employees that are more qualified, but nevertheless they don't even get consideration. Why? Because his buddies come through first, the ones that he likes.

MR. GLICKSTEIN. Is it fair to say, Mr. Ali, at McDonnell there is one set of rules that are written and pronounced company policies and then there's another set of rules that are informal rules and that people—the informal rules sometimes are more significant than the formal rules?

MR. ALI. Let me say it this way, now, they've got or they had, I don't know how many there are now, but they had as of last year, December, they had 42 rules at McDonnell. And these 42 rules, they are completely at the discretion of the department head.

MR. GLICKSTEIN. I was referring to something else. I was referring to the company having certain policies written out on how you become a supervisor.

MR. ALI. Right. Yes.

MR. GLICKSTEIN. How you become a foreman?

MR. ALI. Right.

MR. GLICKSTEIN. Are there also informal policies?

MR. ALI. I don't even know if the company has these things written, but this is what they told me, one assistant, the assistant of labor, labor transfer, name of O'Toole, this is the way he told me it actually took place. Now, whether it is a written company policy or not, I don't know whether it is a written company policy.

MR. GLICKSTEIN. But there are also informal procedures?

MR. ALI. Right.

MR. GLICKSTEIN. May I go on to Mr. Dean?

MR. DEAN, I understand you are employed at the Chrysler Truck Plant, also. Is that right?

MR. DEAN. Yes. I am.

MR. GLICKSTEIN. Are you a member of the same black workers' association as Mr. Hamilton referred to?

MR. DEAN. Yes, I am.

MR. GLICKSTEIN. About how many of the Chrysler employees, black employees, are members of that association?

MR. DEAN. Well, we have about 173 black employees at this particular plant and we have about 85 percent, I would say, through the—dispensing of badges that we have, everyone seems to have one, they are all members that have one, so I would say roughly about 85 percent.

MR. GLICKSTEIN. Mr. Dean, would you very briefly tell us how a person becomes a foreman at the Chrysler Truck Plant?

MR. DEAN. One becomes a foreman at the Chrysler Truck Plant through a procedure that I will call mouth to ear. That means strictly who the immediate supervision in that particular area recommends and normally the same old thing, it is usually a buddy or friend of his and those are the ones that gets it.

MR. GLICKSTEIN. Are there also ways that you can apply to be a foreman?

MR. DEAN. Well, I have heard of a so-called way but I know it is not practiced. That is, they are supposed to have a test, but we have guys that have asked about this test and were told to go to see their immediate supervision and now I look at it what I see is that they have asked for it because I would have to say that if this test was used they wouldn't have a lot of the ones that they have now.

MR. GLICKSTEIN. But theoretically and formally there is a test that you can take and presumably if you pass that you are eligible to become a foreman?

MR. DEAN. Well, as close as I would say, the test is used strictly by hearsay. I've never known it practiced.

MR. GLICKSTEIN. Mr. Dean, in your experience, how many years have you been at Chrysler?

MR. DEAN. Five years.

MR. GLICKSTEIN. Five years?

MR. DEAN. Yes.

MR. GLICKSTEIN. In your experience, do you know of instances where management, personnel people, have called in black workers individually and discussed with them upgrading possibilities and career advancement?

MR. DEAN. Well, I know of no black workers that they have called in but I know black workers that have went in and asked, you know, and they were turned away.

MR. GLICKSTEIN. But there hasn't been a policy of the company to periodically review the records of black workers and say, well, this guy probably should move ahead and I will talk to him and see what is available for him?

MR. DEAN. In my 5 years there I have never heard of it.

MR. GLICKSTEIN. This has never happened to you?

MR. DEAN. No.

MR. GLICKSTEIN. Mr. Hamilton, let me ask you a question about supervisors at the Chrysler Truck Plant.

Are black workers reluctant to become foremen?

MR. HAMILTON. Yes, they are. The reason for this is basically because once they become foreman they not only have the men to try and overcome, but they also have management itself to overcome. You see, we've had cases, or I should say one case in particular, since we haven't had some black foremen, we had one particular individual that went up on foreman, or went up as a foreman and he received no assistance or any backing from management whatsoever. He didn't last very long, I must add, maybe 2 or 3 months.

When he got it, the work wasn't done, the guys would get together and say: "Well, we are not going to do this," you know. And it was nothing really that he could do about it.

MR. GLICKSTEIN. What you are saying is that to be a successful foreman you have to have the support of management and you also must have the cooperation of the people that you are supervising?

MR. HAMILTON. That's right.

MR. GLICKSTEIN. And if the foreman does not have the cooperation of the people he is supervising that could be the undoing of him?

MR. HAMILTON. He cannot properly perform his job as a foreman in not doing that, he is immediately released. And this is the case because it is known through all of the restroom poetry that you see about blacks just how—or what type of element you have employed in that particular plant. And they have a cleanup, you know, periodically, maybe once a week, and sometimes if it's real bad they will get in and not only wash the walls down but they will paint them in order some of the visitors that might come in that are driving, won't see this type of writing on the wall.

MR. GLICKSTEIN. Do you know of any instance in which management has called together all the employees, all the employees, and said that there have been instances of this type of writing you are describing on the walls, and we want that to stop immediately and anybody that's caught doing that will be fired on the spot?

MR. HAMILTON. This has never been done to my knowledge or anyone's knowledge. This is just never done. It's done, so what? We will clean it up, paint the walls all over again and it is up to the following day. But they have never called a massive group together and said, well this is going to have to discontinue. This has never been done.

MR. GLICKSTEIN. How important, Mr. Hamilton, do you believe

the attitudes of foremen and other supervisors are to the success of the equal opportunity program at a company?

MR. HAMILTON. Well, I feel that if the black man is ever going to get equity, management is going to have to get its people together and teach them something about human relations in the way of dealing with black people. They are going to have to do something constructive in the way of teaching those that are coming into the plant as hourly rate not to write on walls, not to make any derogatory statements about people and this is the only way that we are going to have any type of serenity or fair employment at Chrysler.

MR. GLICKSTEIN. Mr. Ali, is transportation a problem for black workers at McDonnell?

MR. ALI. Yes, yes, it is. It is a very important problem. Most of the black employees out there, they have to ride to work with someone else. They have to depend upon someone with an automobile to get them to work and because of this many times they miss quite a few days because of the person who is supposed to be transporting them back and forth to work who they are riding with. They miss 12 days in a year and they are subject to a reprimand and if they get too many reprimands, maybe two or three, then they are subject to being fired. And the sole reason is not necessarily the person doesn't want to come to work, it might not be economical for him to own an automobile so that he can get there and have his own reliable transportation himself.

There are buses that go out to McDonnell but I think it takes approximately about 2 hours through the public system to go there.

MR. GLICKSTEIN. Two hours?

MR. ALI. I think it is approximately 2 hours.

MR. GLICKSTEIN. How about at the Chrysler Plant, Mr. Hamilton, is transportation a problem?

MR. HAMILTON. We have basically the same problem as they have out at McDonnell since Chrysler—from St. Louis, I would estimate maybe 27 miles in some of the closest regions —

MR. GLICKSTEIN. That is 27 miles from your home?

MR. HAMILTON. Seventeen from my house. But for the most part the blacks that are working at Chrysler live in the city of St. Louis and it poses a problem. We have the Bi-State Services that—we did have, I should add, but we no longer have those because of the non-utilization of them so we have the problem if the guys can't work close to the plant—

MR. GLICKSTEIN. Do you know of any of your colleagues, black workers that attempted to obtain housing in the vicinity of the—

MR. HAMILTON. Oh, yes, there is one in particular that I am thinking of that's here tonight and he tried to buy a house in Valley Park.

It's hard to do, you just can't buy it. The same house that he tried to buy, another white fellow in the same department that he was in at the time bought the house, and this man has good credit and good working record and everything.

MR. GLICKSTEIN. It's not really a matter of economics then. Here are two people that you are speaking of —

MR. HAMILTON. It is not a matter of economics. It is color of skin.

MR. GLICKSTEIN. Both these people you are speaking about had the same job and getting the same rate of pay?

MR. HAMILTON. Right. In fact, the guy that bought the house was making less than the black man that tried to buy the house.

MR. GLICKSTEIN. Mr. Green, as Chairman of ACTION would you say that the type of problems that we have heard here about McDonnell and about Chrysler are problems that are generally found in the St. Louis area?

MR. GREEN. Yes, very much so. Even among the, you know, other corporations that have not been mentioned such as Southwestern Bell, Gas, Union Electric —

MR. GLICKSTEIN. You don't have to mention any particular company, just in general.

MR. GREEN. Well, this is general but I think it is important on those because they—there is a monopoly there and I think that in all fairness that when we are dealing with McDonnell, we are dealing with a volume of people and as it relates to black people. Now—

MR. GLICKSTEIN. But you think this pattern of black people getting upgraded and promoted is generally—

MR. GREEN. You multiply it by every large corporation here in St. Louis and you get the same, the same disease that is infested there at McDonnell is infested in some of the outfits that I have named and those I have not named. It's almost as if these gangsters have gotten together and plotted this type of thing.

MR. GLICKSTEIN. Gentlemen, I would like to ask you some more questions but we are a little behind schedule and I will stop now and come back if there is more time after the Commissioners finish.

VICE CHAIRMAN HORN. Mrs. Freeman?

COMMISSIONER FREEMAN. Mr. Green, you mentioned that upgrading is a problem and this has been stated by other witnesses. I'd like to know if the report which was developed includes information as to the number of years, how long a black person would have had to be in a job before getting any position as compared with the white person, or if you have any figures to show the years of seniority in the progression or the promotional level on the basis of black or white.

MR. GREEN. I have some figures but I don't have them in this particular report, but I do know them since I was an employee of McDonnell for many years. A transfer for the most part is not based

upon seniority, it is based upon who you know, et cetera. Now, too, John Q. Black Person who comes up and applies for a transfer, he doesn't live long enough in order to have that amount of seniority in order to get a decent job. If John Q. Black Man walked up there to personnel and asked for a job, first of all, they want to find out his credentials and once they find that out they jack up the requirements for the job. Consequently, he never lives long enough in order to get that job.

That's one tactic. The other tactic they utilize very widely is all of a sudden the foreman falls in love with this black person who wants a transfer. He gets over to personnel and personnel would say, well, listen, Mr. Boy, we would like to transfer you from this department to another but the foreman just won't let you go, he thinks that you are too important where you are. And by that time if this person puts up any protest, well then the assistant foreman, he then breaks his courtship with this person and as a result he is either fired or out of the door or reprimanded or something, or if not, when it comes to his evaluation period he's then evaluated in a very, very low fashion.

The transferring bit as was stated with the other companies are about the same. It is played by ear. It will be interesting to find out with this fellow here, I happen to know him there at McDonnell, who is the only assistant foreman. Of course, after tonight he might be full foreman, or vice president, or something, but it will be interesting to see how long this person had been an assistant foreman. And I can give you—I can hit it just about on the money, he become assistant foreman in 1964—let's see, '64, thereabouts, a little bit before I was jacked up and out. And he had been assistant foreman ever since. Now, there are many, many, many assistant foremen there, white, who would have made full foreman by now but the way they do—it is chances that they have propositioned him more money even though he is assistant foreman, the chances are that he might be making as much as a full foreman to keep him either in that particular department, or they would, they will make it much more profitable for him to stay where he is rather than for him to move ahead to full foreman where there's a little bit more status and a little bit more control.

You see, assistant foreman, well, I think it speaks for itself. He doesn't have any control. He just controls that little department and the moment he steps out of line by their definition he ceases to even become a foreman—assistant foreman.

But you know, what I am trying to say is that it is that invisible, it is that invisible code of ethics that these racists, and I am saying racists and I mean it because this is the way they exercise their power, this is the way they evaluate persons and as a result it's bad news out there.



COMMISSIONER FREEMAN. Mr. Ali, you referred to a review board. What is on this review board?

MR. ALI. It's a board of review that consists mostly of people who work in personnel, who work in the transfer, you know, in the transfer office. It doesn't consist of anyone who is in the position to, of requiring—it doesn't consist in the position of those who want this assistant foreman, it's more or less in the personnel, in the personnel department.

COMMISSIONER FREEMAN. What is the makeup of this review board by race?

MR. ALI. I don't think there is no black people on it at all. Well now, the thing about it, it is not a permanent review board. You know, I mean it is flexible.

COMMISSIONER FREEMAN. On the review boards that you have had knowledge about, how many times has a black person been—

MR. ALI. I have never known a black man to go before a review board that had any black people on it, no.

MR. GREEN. I have the records here from personnel records. Out of 66 whites you have two blacks, but I am pretty certain that those blacks don't exercise that review board.

MR. ALI. You see, another thing too, the thing that keeps a black person from advancing is the thing that they call absenteeism. This is what the brother here asked me about. And if you have too many days absent, well then, the department head who is asking for a foreman, it doesn't have to be a foreman, it could be any position of upgrading, any upgrading position, he checks the records and he says: "Well, this man, he's absent quite a bit in a year's time. Well, I don't want him because he is absent too much."

You see, now, he might reach back and get a white person who has been absent just as much but he uses this as an excuse to prevent this black person from coming into this job. You get the idea? This is the excuse that he gives him for not accepting him, and not accepting his credentials and his qualifications and so forth.

In other words, they use any type of excuse out there that is possible to keep a black person from being upgraded or to keep them from getting into a better job or assistant foremen, or anything out there. They use this system. Anything, it doesn't make any difference. But absenteeism is one of the big things that they harp on.

Another thing they harp on is qualifications. They say this person is not qualified to hold this particular position. Well, now, you know and I know that the only way a person can be qualified to hold any position is that he has a chance to hold it and to be qualified for it. If you are not qualified for a position it is simply because you haven't had a chance to be qualified for it.

Another thing they use is they say: "Well, you haven't any schooling, you haven't taken any of the McDonnell's schooling that they

have out there." Well, a lot of people who have taken this schooling, they haven't been able to see any benefit or any profit from having taken it. So, consequently, this word passes on to other black employees and, consequently, they are discouraged from going into this school and learning more so that they can be qualified for various positions. It's a psychological thing plus other realms.

COMMISSIONER FREEMAN. Mr. Hamilton or Mr. Dean, do you have any comment with respect to the experiences at your company?

MR. HAMILTON. Yes, I would like to say in addition to what he said, in the way of Chrysler. Chrysler employs the same tactics. And I must add through sincere subtleness. I mean it's there but you know, it's so subtle, they don't come out and tell you, you can't be a foreman or they don't tell you that—in some cases they have told people that they aren't qualified. But for the most part it's usually a test. The testing is made. I'm sorry, you know, you didn't pass the test. Joe Blow passed it. There's no way of knowing whether you passed it or not. The administrator tells you you didn't pass. He doesn't tell you why you didn't pass it or how bad you failed it, anything of this nature.

Also, the testing itself, we feel, is just another form of discrimination and as my brother, my cohort Brother Dean said previously, the fact remains is that if the testing was valid at all, at all valid, then the foremen that are currently foremen would be mere workers as we are because they aren't qualified. They are not qualified. Look, I can't explain, I can't be emphatic enough about how illiterate some of those foremen out at Chrysler are. I mean you would just have to see it. These people can't even spell decently but they are foremen. They are telling you what to do. So you see it's a thing, it's going on every place, but as we are doing, we are saying something about it and we've even been called, and I have been called a troublemaker, well, I'm going to continue to be a troublemaker because I want the same thing the white man has been enjoying all his life and that's equality.

VICE CHAIRMAN HORN. Mrs. Freeman?

COMMISSIONER FREEMAN. No.

VICE CHAIRMAN HORN. Dr. Mitchell?

COMMISSIONER MITCHELL. Mr. Dean, I must say I am more troubled by something you said tonight than by anything I've heard so far in these hearings and maybe you will let me discuss it with you. What you are suggesting is that management where you work has a racist view of people.

MR. DEAN. It seems that way.

COMMISSIONER MITCHELL. Well, you suggested that. I don't say you documented it but you say you feel that way.

MR. DEAN. Yes.

COMMISSIONER MITCHELL. You feel also that management's repre-

sentatives closest to you, the foremen, feel that way. And finally, you've said that the workers, the white workers, are racists.

MR. DEAN. I never said the white workers were racists but we do have some out there as you can plainly see if you happen to walk in the restroom—

COMMISSIONER MITCHELL. Actually I think it was Mr. Hamilton who suggested that what's written on the washrooms is a continual torrent of abuse and hate for black people and I am sure that isn't written there by black people, it was written by white people. And I would guess written by workers.

MR. DEAN. In regard to what you are saying, we have some there that doesn't blend in with the black workers but we don't experience a big problem of racist between the workers themselves. It strictly comes through management, you know.

COMMISSIONER MITCHELL. Well, you see, the function of the Commission in coming here to listen to you is to think of some way within the framework of this free country, in which the rights of human beings are a matter of great importance, to create a working situation in which you can have that freedom and equality and that gets to be a very difficult thing to even contemplate when every level at which you deal with management and supervision and fellow workers appears in your eyes at least to be racist.

MR. DEAN. Well, not just appearing in my eyes, this is through experience in working at Chrysler, this is all I have seen since I've been there, not only myself, I think I could speak for the majority of the black workers there. It doesn't come to any certain person, it is just the form that is practiced there and is something that management carries out at that particular fashion.

COMMISSIONER MITCHELL. Now, could I ask Mr. Ali a question?

MR. ALI. Certainly.

COMMISSIONER MITCHELL. You've been at McDonnell Douglas for 13 years?

MR. ALI. Yes.

COMMISSIONER MITCHELL. Is it any better now than it was when you came?

MR. ALI. Any better in what way?

COMMISSIONER MITCHELL. Well, with respect to the rights of black people and the other minority people who are employed there. Are you better off now than you were 13 years ago?

MR. ALI. I am convinced that whatever advantages the black people have been able to grab from McDonnell, it has been due to possibly investigations of this kind or threats by various political leaders of the Government and the press, the public and so forth. I don't think that McDonnell has done anything voluntarily for black people, no.

COMMISSIONER MITCHELL. Well, leaving out whether they have, you feel there has been some progress in 13 years?

MR. ALL. Let me say it this way, very little. While I was talking I was trying to stretch my imagination so as to say, yes, but I can't say yes. I can say, very little at the most, and I am giving them a big play there.

COMMISSIONER MITCHELL. Mr. Green, and perhaps maybe I should ask this also of Mr. Hamilton or Mr. Dean, the one thing that no one has asked you and that you have not really spoken to directly is the whole business of unions. Now you have formed here two groups, the Black Workers Alliance and ACTION. Are they an act of rejection of the union or are they a response to your feeling that the unions have rejected you?

MR. GREEN. Well, you know, the reason why I haven't particularly mentioned anything about the union is because it is so hard to determine the union from company personnel.

You know, the mere fact, you know, I mean, these cats are going to play, they are going to pass the buck. They are going to say, if you go to the management they're going to say it is the union. If you go to the union, they are going—and these cats are operating too closely, and any time you have anything that is supposed to be at odds—you see, the union have sold out just like the church, just like the commissions and just like agencies and everything else. You know.

Now, for me not mentioning anything about the unions perhaps if you noticed I hadn't mentioned anything about these commissions either. But it is nothing to say that these commissioners are going to help anything for black people. You see, the name of the game is that it is what you do is what counts, not what you say you are going to do.

You see, many persons have said as the union had in the past, we are for all of the workers but when the deal goes down, they were only for white workers. And then many of these union leaders have even sold out a number of white workers, except that they don't realize it. You see, they are misled just like many black persons by the establishment, these cats that are in and the thing about it is that the average worker is a product of his superior. Now, if the company would come to grips, just as if the Pentagon—if the Pentagon had penalized McDonnell by not giving them that contract McDonnell would be forced to begin to shape up. And I am pretty certain if the Government would do what it ought to do and that is, when they are competing on various Government projects one of the chief factors should be black people.

You see, the defense of this country is not any more—is not any more protected than the internal problems that we have so how could they negotiate a contract on quality and on these political

things without bringing in and negotiating and debating the racial situation. Black people just don't count. Daddy Mac knows that.

(Mr. Green's final sentence was deleted at the request of G. S. Roudebush, counsel for the McDonnell Douglas Corporation, by order of the Commission, page 182.)

COMMISSIONER MITCHELL. Mr. Hamilton, do you have any comments on the question of the unions and your Alliance?

MR. HAMILTON. Yes, I would like to say something. I don't know if there is much left to be said, though.

I would still like to interject this thought in the way of unionism out there at Chrysler and that's the fact that there is a conspiracy, union and management. It's very apparent when you look at the foremen. You see, we have four or three union officials that are part of management now, in a foreman capacity. Or two of them were presidents of that local. So you can see there is definitely a collusion and a conspiracy. And the white workers are only fortunate that they are white and if they turn black then they are going to be victims of the same thing that we are.

VICE CHAIRMAN HORN. Let me continue to explore this management-union relationship slightly at both plants.

Mr. Hamilton, you mentioned the only way of knowing of skilled jobs when they were open at Chrysler was gossip up on the floor; they were never posted?

MR. HAMILTON. Right.

VICE CHAIRMAN HORN. Is there any clause to your knowledge, and perhaps you don't know, and I will ask the same question of management when they come before us, is there any clause in the union contract as to how job announcements are to be made?

MR. HAMILTON. As far as I know, there is none in relation to applicants for a skilled trades job, none.

VICE CHAIRMAN HORN. Has your organization or, either collectively or you as individuals, ever gone to management and protested this method of trying to get applicants for particular jobs?

MR. HAMILTON. We have never actually gone prior to the inception of our Black United group but we did go to them after we formed the Black Employees of Chrysler. Having gone to them some moves of tokenism has been made into the skilled trades area. You see—

VICE CHAIRMAN HORN. Excuse me. Do they post jobs now as a result of your action?

MR. HAMILTON. No.

VICE CHAIRMAN HORN. Did you ask them? Did you ask them to post them?

MR. HAMILTON. Did we ask them to post them?

VICE CHAIRMAN HORN. Yes.

MR. HAMILTON. No, we did not.

VICE CHAIRMAN HORN. I see.

MR. HAMILTON. But, like I wanted to express, the fact that out of—in the skilled trades department we have about 95 skilled tradesmen, we have five black skilled tradesmen. And these five, I might add, aren't permanent and they can be taken out with a cutback at any time because they are temporary men. One in one respect, I think this guy is a journeyman but the other four are temporaries and they can be taken out of the department as cutbacks continue.

VICE CHAIRMAN HORN. Now, let's just take those 95 in the skilled trades. Was it solely a management decision to hire them or did they have to clear an apprentice program sponsored by the union? What is the situation?

MR. HAMILTON. No, it wasn't solely management. In one or two cases it may have been solely management because we have one that came off the street. The only one. We have one that was put up in a way of gratitude or longevity in the way of knowing this particular individual and the others were put up on a temporary basis and have been in and out, in and out for the past 6 months, I would say.

MR. DEAN. I would like to make a comment as far as the skilled trades area is concerned and what the black worker has to do to get in. First of all, a black worker might be well qualified and have the necessary, what you might call paper work, to have—to acquire these particular positions. We had some black workers, one in particular I know that was well qualified and had the necessary paper work but still he had to resort to what you might call a political deal where he knew a judge and they in turn wrote Chrysler and asked why they did not give him this position. So I guess management took this position, well, we will keep down trouble here, we will put one up, and he was well qualified before to have this job and not have him to resort to these techniques to acquire this job.

VICE CHAIRMAN HORN. But your statement is that it is management's decision as to his qualifications and the union does not have a role in saying whether he meets the skilled trades requirements?

MR. HAMILTON. He can contest the committeeman. This is a skilled trades committeeman. He can contest whether or not a man has ample hours in the way of journeymanship—

VICE CHAIRMAN HORN. This is assuming he is already employed.

MR. HAMILTON. But he cannot contest if it is temporary, if I am not mistaken, because if this man can come up with some proof of having a mechanical background or something related to that particular skill in which he's trying to get, the committeeman has nothing to do with it.

VICE CHAIRMAN HORN. I am interested in two things here. One of course is, as we stressed, the initial employment and whose responsibility that is. Is it solely management or are there certain requirements in the collective bargaining contract or by these skilled

unions generally as there are external to industrial plants in terms of the building trades, which would mean there is a great effort in terms of initial hiring.

I am also interested in, as Mrs. Freeman has stressed, in other questions earlier today in the promotion once the individual has been hired. I am trying to get at this both formal and informal process, if any, between management and union. I wonder if you know anything, any of you four gentlemen, or any of the four of you could tell me.

MR. GREEN. Let me touch on something and then maybe this will be explained. Now, in most—well, as far as McDonnell is concerned, it is primarily up to Mac in order to do the hiring. After a certain period of time then that person, if the person is hired into a production job, that person then has to go into the union, what is called a probationary period. Now, remember now, you have once again, you are at the sympathy of assistant foremen who in most cases is going to be white. He determines whether or not you have done a decent amount of work or whether you had been qualified on the job as to whether you would become a permanent or go on permanent status.

Now, the building trade for the most part is something altogether different. You know, they have in most cases a union hall where it is up to the employer, then seek employees from the union hall. But in most cases here in St. Louis, it is up to that employer to do the hiring and to keep that person on the job for that probationary period and then the person goes into the job.

As far as transferring is concerned, if there is an opening in some cases the companies have the policy of posting. In some cases there is a bidding system, you know. But as far as Mac is concerned, they either sometime run it out in the newspaper or if not, you just go over and shoot from the hip. You go over and apply and if it is not in the newspaper then if they have some, you can rest assured that they are not about to tell you that the opening is there, if you are black. If you come over there with the wrong paint job. There are a lot of whites like that too. If they happen to have long hair and happen to look like a so-called hippy, you know, they will turn him around too, but there are very few of those persons that would even seek employment there at Mac so we are not even talking about them.

This is going to be their argument, they are going to be very, very sophisticated and if a Negro is qualified and if he has any initiative, we would love to have him, send us some, send us some, you know.

But what I am saying is they shoot that black person through so much grease, they shoot him through the grease, by the time he comes in there, confuses him, brainwash him, turn him around, that

that person feels as if he's not qualified after he had—you know, he goes up there with all types of determination and with the facts and figures and everything and by the time he leaves that personnel office and them cats looking at him dead in the eye, and telling him, well, son, we would love to bring you into this department, but remember what you are sacrificing, all of those years of seniority. Now, you've been a janitor with this company for 35 years. Now, why would you want to give up that 13 years seniority as a janitor to come in here in the office when you don't have no union protection?

Now, the reason why I know that is because I am a victim of such. Of course, now they are going to tell you that they are warning the person for their best interests. Now, all of a sudden they are concerned for black folks. Son, we don't want you to sacrifice that type of seniority.

VICE CHAIRMAN HORN. Let me ask you right on that point because that was a question that came up earlier today, this problem of lateral transfer between departments. We heard one witness testify that it was in the collective bargaining agreement and it seems to me what you imply, you really are at the mercy of seniority in terms of trying to transfer between departments. Do you have a similar situation you have found, where a person in one department cannot really, even though he might have comparable qualifications, apply for a job in another department because he doesn't have seniority in that department?

MR. GREEN. Right, right. That's another little game they play. All of this seniority that you have had with the company is irrelevant.

VICE CHAIRMAN HORN. In other words, it goes by department?

MR. GREEN. Right. When there's a department, if they don't want any black persons in, and Mac is good for this, you can spend 20 years out there working for Mac and apply for a transfer into a department that is all-white and they know it, well, all of a sudden then they begin to tell you, well, that means you must remember now, you don't have any seniority in this department, and it is not to the best interests of this department for you to come in here being the lowest man in seniority in this department, which automatically makes you almost the first person to be cut loose.

So you see how they use these various techniques. Of course, those gangsters, they are going to tell you differently.

VICE CHAIRMAN HORN. You mentioned janitors earlier. Are janitors organized as a department or are they assigned to different departments?

MR. GREEN. Well, let's see —

VICE CHAIRMAN HORN. I am thinking, for example, if a person comes in as a janitor and he wants to upgrade himself to a different



level job would he be limited by where his initial entry was by grouping janitors as a department?

MR. GREEN. For most part, yes, because that person who is a janitor, he is assigned to a particular department. That person no doubt is—that person begins to gain knowledge just by seeing, by being related and talking to people and seeing how people use various equipment. Now, if that person, even though he is a janitor, would go to personnel and request a job, let's call it sheet metal man, you know, learning, using a rivet gun and so on and so forth, they would first tell that person over there, well, you are not qualified. In order to go into this department you must know this, that and the other. They will totally disregard that person's ability based on being familiarized with the work even though he is pushing a broom. At least he knows what a rivet gun is, at least he knows what an air hole is, at least he knows what rivets look like.

They would hire a person off of the street who wouldn't know a damn thing about a rivet gun or rivet or anything else and pay him a decent salary before they will upgrade that person right there in the department into that particular job. They'll tell that person that he ought to go to school.

Well, if that person goes to school, these schools run—they'll tell you, they might start off running 16 weeks, and here they tell you something, and the school itself is teaching you about craters on the moon and you have to pass that test, you know. In other words, the schooling for most part is irrelevant to the type of work that is being done. And then not only that, you have no guarantees as to whether or not those schools are going to remain the whole entire duration.

VICE CHAIRMAN HORN. Let me ask you along this line now, you mentioned the role of the assistant foreman. It was brought out during this discussion that some of the foremen were union leaders and still members of the union. Do you generally and do most employees, be they white or black, consider foreman a management position? Is there any requirement that a foreman, for example, can be appointed who has not been a member of the union and worked his way up? To your knowledge? We can ask the company that.

MR. GREEN. Restate that again.

VICE CHAIRMAN HORN. I am just wondering, is the foreman in terms of his role within the plant regarded as a management position?

MR. GREEN. Yes, very, very definitely.

VICE CHAIRMAN HORN. Does he have to be a union member to hold that position?

MR. GREEN. No. You see the moment the person—you see, they do this two ways. They can either upgrade a person from productior

and make him an assistant foreman or if not, they can hire a person who had some supervision or supervisory experience in another company and hire him off the street as an assistant supervisor, or foreman, or whatever. But the moment that that person comes into the—the moment that the person transfers from production into the supervisory capacity he loses his seniority.

In other words, I mean his seniority remains at that point. You see. But that's the only reason why you only have one black foreman and 36 assistant foremen.

VICE CHAIRMAN HORN. Well, now, somebody mentioned that several foremen were still members of the union. Is there a requirement that the individual leave the union when he becomes a foreman?

MR. GREEN. No, you see what that person would do—no, there's no requirement that I can think of this moment. Is it?

MR. ALI. When you become a management—when you go into management you leave the union at McDonnell.

VICE CHAIRMAN HORN. That was my impression. Now, I've forgotten, was it Chrysler then that two were union leaders?

MR. ALI. No, you have to get a withdrawal card once you become a foreman or go on to any part of supervision.

VICE CHAIRMAN HORN. I thought there was testimony that two foremen had become presidents of the union?

MR. HAMILTON. No. The testimony was that we had two former presidents of the local that had gone on to the side of management.

VICE CHAIRMAN HORN. I see. I'm glad to clear that up. Now, a couple of last questions.

The grievance procedure, I asked you had you gone to management and talked about the posting of jobs. You mentioned that you talked to management but did not on that issue.

What about discussions within the union? You were members of the union in your respective plants, I assume. Was there ever a discussion of some of the problems of discrimination in black-white relations? If so, how effective did you find the grievance procedures of the union and what happened to your particular complaint?

MR. ALI. The case at McDonnell was this, we organized an organization called the Rights Committee of McDonnell and it is now gone and changed its name from the Rights Committee to the Black Workers Alliance. The reason why we formed that organization was because the union was not doing its job to procure for black people the rights and privileges that they were doing for whites. And we went over to—after we had organized ourselves as the Rights Committee, we went over to the union hall and we talked to the directing business manager of the union. And we told him our problems and we told him what we—the steps that we planned on taking

and we were asking him whether we would get any union backing.

Well, he was there and we talked to him for a while and then a grand lodge representative came in and he sat down, and both of them, and the directing business manager, he had previously worked in the shop himself, and both of them told us at that meeting that they had been out in the shop and they had seen no pattern of discrimination whatsoever. And this is the reason why they hadn't attacked the discrimination.

So we began then to give them the names and situations and actually diagram the whole thing for them. And they said that they would look into this but there was nothing that actually came out of it.

At McDonnell there is a beautiful marriage that was performed some years ago between the union and the company and they are very close as far as marital mates are concerned. In a situation I'd like to recount where this marriage plays a beautiful part in discriminating against black people, we had a situation where a sister out there was struck on the buttocks by a rubber band by a white employee. And then her husband happened to work there. So she went and told the assistant foreman and she also told the union representative, the shop steward, about this because she didn't like it. It was an infringement upon her dignities and so forth. So they did absolutely nothing about it.

Well, the word got to the husband and he asked the white worker to apologize, just simply apologize for doing this. And the white worker refused to apologize. And not only that, but he began to pursue the black man and to attack him. And the black man, he more or less acting out of self-defense, he warded off the attack.

Well, they didn't exactly know what to do about the situation. The foremen, some of them, saw bits of it. So they suspended both of them indefinitely. But the black employee, he was locked up and put in jail. So then people went over and got him out of jail and so forth. A warrant was sworn out for his arrest, and so forth.

Then later the company came down with the decision saying that they were going to fire both of them. The union—here is where the union comes in now—the union after reviewing both cases, the union took the side of the white worker and they in turn begin to arbitrate his case for reemployment. Not the black worker's case, but the white worker's case for reemployment. They said they would arbitrate his case, not the black worker's.

Now, as we check the history or we check the record of the white worker, he had been reprimanded twice for the same thing before during his years of employment but the black worker had never been reprimanded for fighting. He had a perfect record while he was out there. But yet and still the union would not arbitrate his case but they arbitrated the white worker's case but not only that,

but they lost that arbitration and the arbitrator even asked the union himself—themselves, he said, well why are you not going to arbitrate the black worker's case? And they told the arbitrator they didn't think it would be important because he was involved with too many other black movements and so forth, and my name was brought in, and what my name was brought into the case for I don't even know. But this type of thing—this is the pattern of discrimination, it is a pattern of coalition, a conspiracy, whatever you might want to call it, between the company and the union at McDonnell.

VICE CHAIRMAN HORN. One last question, gentlemen. This is directed really, Mr. Green, to you.

You said several times in your testimony, you referred to the black community feels this way, or the black community feels that way, sort of a philosophical question. I wonder, in your judgment, do blacks really speak with a single voice any more than whites speak with a single voice, or don't you really have many communities and many groups that it's conceivable can represent members of the black community just as you have in the white community?

MR. GREEN. Well, in this confused state, what you say has a great deal of merit. However, in the context that I was using the term, I was speaking in reference to the many—the numbers of—the many numbers of blacks that have been—that have either been out to McDonnell seeking employment or employed and now on the streets, you know, over a period of years.

In other words, McDonnell have shot—you know, in other words, it has been a volume of black people that had been to McDonnell, in one door, out the other door. And when this number of persons hit the community or what not, certainly they are exercising their many experiences, you know, and conversations and so on and so forth. And by that was what I meant by the black community. The average person who goes in seeking employment, who is either unemployed or underemployed at one time or another.

Another point is that you have another level of persons who perhaps are working in the office, you know, either out there at McDonnell or not. I have a magazine here that shows—by the way, it is interesting to note that in public relations here, 26, they have four Negroes and this must be one of them here, who is doing a very, very good P.R. job. Now, here is the person, McDonnell engineer to save company \$52,973. Now, that's more money—he is saving the company more money than he would ever make in a lifetime. And it is this type, certainly this person will love—he would love Mac and you no doubt have some of them just like that in the white community. You have some that falls in love with their employer irregardless because they are working there. But, by and

large, the persons that have witnessed this experience certainly are larger in number and in magnitude than the few persons who are going to run out there and say, Mac is a good guy, or hand him a placard of some sort.

And before you close, I wonder is there any protection is going to be made, is going to be provided for some of these persons. Not myself, because I am already hardcore unemployed, but the other person. And the reason why I mention that is because, you see, the vice president of McDonnell is sitting in the audience right now and I would hate for something bad to happen to a person who is honestly testifying the truth.

VICE CHAIRMAN HORN. Mr. Green, in answer to that question, I can't speak for any corporation, but I would think that the corporation who listened to the articulation that they have heard from our witnesses would probably promote them rather than transfer them or fire them.

Mr. Ali, Mr. Dean, Mr. Green, and Mr. Hamilton, we thank you for being with us. It's been very helpful.

Mr. Rodney Ballard, the director of personnel at the Chrysler Truck Plant, please take the stand.

(Whereupon, Mr. Rodney Ballard was sworn by the Vice Chairman and testified as follows:)

**TESTIMONY OF MR. RODNEY BALLARD, BALLWIN, MISSOURI**

VICE CHAIRMAN HORN. I believe, Mr. Rolf, you are Counsel, are you not?

MR. ROLF. That's right.

VICE CHAIRMAN. Fine. Mr. Glickstein?

MR. GLICKSTEIN. Mr. Ballard, would you please state your full name and address for the record?

MR. BALLARD. My name is Rodney Ballard, and I live at 591 Highland Ridge Drive in Ballwin.

MR. GLICKSTEIN. And what is your occupation, Mr. Ballard?

MR. BALLARD. I am personnel manager at Chrysler, Missouri Truck Assembly Plant.

MR. GLICKSTEIN. And how long have you held that position?

MR. BALLARD. Since September, 1965.

MR. GLICKSTEIN. And how long have you been with the corporation?

MR. BALLARD. A little over 10 years.

MR. GLICKSTEIN. Mr. Ballard, I believe that the commitment of the Chrysler Corporation to equal employment is well known and the program your company has developed seems very commendable. You've sent us a great deal of literature describing your various programs in great detail and, in fact, this Commission at its Cleveland hearing a few years ago heard testimony from representatives of

the Chrysler Corporation that we felt would be a model for other corporations to follow. Nevertheless, we have heard testimony tonight and this morning from some of your employees about conditions that they consider discriminatory and about acts of harassment and intimidation and we also have heard that black workers at your plant have banded together to challenge these practices, and from our staff investigations we believe that what we heard here tonight and this morning are not isolated instances.

In view of the declared policy of the corporation and in view of this rather elaborate program you have developed, how would you explain this situation at your plant?

MR. BALLARD. Well, when we first staffed our plant, we—the first 450 employees were transferred from the St. Louis Car Assembly Plant. Thereafter we staffed our plant from a management standpoint with a number of people from other Chrysler plants, from all over the country. We have hired a number of employees from the street, we have hired a number of salaried and management employees from the St. Louis area.

If I were to speculate on some of these allegations that have been made against our plant, they've been made by—it's really difficult for me to overall come up with any reason for these type allegations.

MR. GLICKSTEIN. Well, I think what I'm driving at, Mr. Ballard, is, I suppose there's an old saying, where there's smoke, there's fire, and 85 percent of your black employees have joined this association. I believe as I read through the material that you provided to us, among other things it indicates that if the situation such as you seem to have in your plant develops, that the corporation in Detroit thinks that this is a very critical matter that should be taken up and dealt with as expeditiously as possible. And what I'm driving at is, is it possible that some of this policy has not filtered down adequately to the people that have the greatest impact on the daily lives of your black workers?

MR. BALLARD. Well, you have some information on our sensitivity type training session, some of which we have put on in 1963. Briefly, there is one 3-hour session on supervising and understanding the new industrial employee. All supervisors were invited and did and it was mandatory that they attend these 3-hour sessions.

The other material that you have there is a 5-hour Phase 2 part of this sensitivity program. We have talked with our general foremen and foremen as to their responsibilities as members of Chrysler in regard to their responsibilities under the law.

In these discussions we find out that on the general bases the foremen are counseled by their general foremen on the average of once a week as to their responsibilities to treat employees equally in matters on the floor.

MR. GLICKSTEIN. Well, the testimony we have heard here today seems to suggest that despite the nature of this program as it appears in your brochures and as it's administrated it doesn't seem to be getting through. How would you account for that?

MR. BALLARD. We feel that it is getting through. Within a given plant you have degrees of prejudices among the people. Not all people are alike in our plant. We are continually stressing through our communications with these supervisors their responsibilities. When we find any instances where there is an alleged provocation along racial lines we immediately get into it from a labor relations standpoint. We try to determine the facts and take any needed corrective action.

MR. GLICKSTEIN. Have you ever taken any corrective action against a supervisor?

MR. BALLARD. Yes, sir, we have—our corrective action has been — Chorus from Audience. No.

VICE CHAIRMAN HORN. Gentlemen, let's have order, please.

MR. BALLARD. When you investigate an individual circumstance, you hear both sides. You hear either the union side or the employee side, and you hear the supervisor side. And in many cases it is extremely difficult to make a determination as to just what were the facts of a given situation.

We then take our supervisors aside and we counsel them again and we tell them in so many words, you know your responsibilities, you have to treat employees fairly, you claim that you did treat this employee fairly in this case, the union or the employee says differently, we are again reminding you of your responsibilities.

MR. GLICKSTEIN. Have you ever actually concluded that a supervisor had acted unfairly or had discriminated?

MR. BALLARD. Please?

MR. GLICKSTEIN. Have you ever actually concluded that a supervisor had acted unfairly or had discriminated?

MR. BALLARD. No, sir.

MR. GLICKSTEIN. These cases, you say, are so complicated that you just never have been able to resolve on which side the right is?

MR. BALLARD. Yes, it's a very difficult thing to investigate. And many times it's after the fact.

MR. GLICKSTEIN. Let me ask you a hypothetical question. Do you think it would have an impact on your supervisors if one day you fired a supervisor for discriminating?

MR. BALLARD. Very definitely.

MR. GLICKSTEIN. It would have an impact on the other supervisors?

MR. BALLARD. Very definitely.

MR. GLICKSTEIN. Mr. Ballard, you and your staff have been cooperative with us and have furnished us some employment statistics.

The statistics that you furnished to us were as of July 1969 and they indicate that you had 1,469 employees, of whom 194 were black and four were of other minorities. Is that a correct figure as of July 1969?

MR. BALLARD. I don't have that report with me.

MR. GLICKSTEIN. We have it.

MR. BALLARD. Is that the EEO report?

MR. GLICKSTEIN. Yes, that's the report that you furnished to us a few weeks ago.

MR. BALLARD. Yes, this is our July 1969 report.

MR. GLICKSTEIN. What jobs are the majority of your black employees concentrated in?

MR. BALLARD. Well, our black employees are scattered throughout our truck plant. They are not assigned to any concentrated department. Our black employees are assigned on numerous classifications within any given department.

MR. GLICKSTEIN. Mr. Chairman, may I introduce into the record a copy of the statistical report that Mr. Ballard has furnished us?

VICE CHAIRMAN HORN. Is that broken down, black and white by job category?

MR. GLICKSTEIN. Yes, sir.

VICE CHAIRMAN HORN. Fine. Without objection, so ordered.

(Whereupon the document referred to was marked Exhibit No. 10 and received in evidence.)

MR. GLICKSTEIN. The figures, Mr. Ballard, indicate that you have 118 officials and managers, of whom three are black; you have 43 professionals, of whom none is black; you have 20 technicians, of whom one is black; and you have 90 salaried and clerical salaried employees, of whom seven are black; you have 95 skilled craftsmen, of whom three are black; you have 1,060 semi-skilled operative employees, of whom 173 are black; you have 15 unskilled workers, of whom none is black; and you have 28 service workers, of whom seven are black.

It does seem then, doesn't it, that the vast majority of your black employees, 173 out of 194, are concentrated in the semi-skilled operative category. Is that correct?

MR. BALLARD. Based on that report, yes, sir. I have more current figures.

MR. GLICKSTEIN. Are the more current figures significantly different from this?

MR. BALLARD. Well, I would like to review them, if I may.

MR. GLICKSTEIN. Would you go down each of those categories with me?

MR. BALLARD. I have officials and managers —

MR. GLICKSTEIN. Yes. What is the date of your latest figures?

MR. BALLARD. 1-5-70.

MR. GLICKSTEIN. How many officials and managers?



MR. BALLARD. 109.

MR. GLICKSTEIN. And how many of those are black?

MR. BALLARD. There are four minority; three are black.

MR. GLICKSTEIN. And how many professionals do you have?

MR. BALLARD. I have 51, total.

MR. GLICKSTEIN. How many —

MR. BALLARD. One minority.

MR. GLICKSTEIN. One minority?

MR. BALLARD. Yes.

MR. GLICKSTEIN. Other than black, or black?

MR. BALLARD. One black.

MR. GLICKSTEIN. One black?

MR. BALLARD. Yes.

MR. GLICKSTEIN. Now, how many technicians?

MR. BALLARD. Ten.

MR. GLICKSTEIN. And how many of those are black?

MR. BALLARD. One.

MR. GLICKSTEIN. Salaried and clerical?

MR. BALLARD. Ninety-one.

MR. GLICKSTEIN. And how many of those are black?

MR. BALLARD. Seven.

MR. GLICKSTEIN. How many craftsmen?

MR. BALLARD. 106.

MR. GLICKSTEIN. And how many of those are black?

MR. BALLARD. Five.

MR. GLICKSTEIN. And operatives? Semi-skilled, I'm sorry.

MR. BALLARD. 1,091.

MR. GLICKSTEIN. And how many of those are black?

MR. BALLARD. 187.

MR. GLICKSTEIN. Labor?

MR. BALLARD. Well, I show apprentices of four.

VICE CHAIRMAN HORN. Excuse me. In that previous information you furnished us, was that identified as labor unskilled, and you are saying that category should really be apprentices? We had 15 total labor unskilled.

MR. ROLF. All it says is a line by line report without the designation except in terms of number, that is 08, 09, 10 —

VICE CHAIRMAN HORN. I see. You are calling this category then apprentices, are you?

MR. BALLARD. No, no, the labor unskilled is included in the 1,091 figure.

VICE CHAIRMAN HORN. Okay, so we wipe out that category.

MR. GLICKSTEIN. So the labor skilled that you had previously, that category, you have merged with the —

MR. BALLARD. We merged with the semi-skilled.

MR. GLICKSTEIN. How about service workers?

VICE CHAIRMAN HORN. Excuse me. Was there a category before I interrupted you that you were about to state? I think it was apprentices. What is that?

MR. BALLARD. Four.

VICE CHAIRMAN HORN. And are there any black or other minorities?

MR. BALLARD. No.

MR. GLICKSTEIN. And service workers?

MR. BALLARD. The service workers are also included in that 1,091 figure.

MR. GLICKSTEIN. So you have eliminated that category as well?

MR. BALLARD. Yes.

MR. GLICKSTEIN. So that 187 figure of black employees that you gave to me a moment ago includes what formerly were semi-skilled, unskilled, and service workers?

MR. BALLARD. Includes operative, semi-skilled, laborers, unskilled, and service workers.

MR. GLICKSTEIN. Yes. Okay, you say there have been some changes, well, as my arithmetic indicates, in the categories above semi-skilled, you went from 14 black workers to 17 black workers, so there has been a change of three. Is that correct?

MR. BALLARD. Yes.

MR. GLICKSTEIN. Now, the statistics that you gave us in September, the statistics as of July, rather, indicate that there were 118 employees holding management and supervisory jobs, of whom three are black. Now, what is the current figure on that?

MR. BALLARD. Officials and managers, we have 109, with four black.

VICE CHAIRMAN HORN. I think you told us a minute ago it was three black and one other minority?

MR. BALLARD. Well, I was in error. The four black are the foremen.

MR. GLICKSTEIN. You have one additional black foreman since July of 1969, is that correct? You had three in July of '69 and now you have four?

MR. BALLARD. Well, I believe one either was removed from the roll at his request and two others replaced him but the net out is four.

MR. GLICKSTEIN. The net out is four?

MR. BALLARD. Yes.

MR. GLICKSTEIN. Mr. Ballard, how would you explain this apparent disproportion of 109 versus four?

MR. BALLARD. Well, the 109 are not all supervisors. Now, the 109 figures include middle management and plant managers and department managers. Statistically we have 65 foremen at our plant.

MR. GLICKSTEIN. Sixty-five foremen?

MR. BALLARD. Sixty-five foremen.

MR. GLICKSTEIN. And four of those are black?

MR. BALLARD. Four of those are black.

MR. GLICKSTEIN. How do you explain that disproportionment?

MR. BALLARD. Well, we are continuing to always increase this figure. Four out of 65 in relationship to the article that I am reading in the paper here, at present Negroes constitute 4.1 percent of the county's population. The four is percentagewise in relationship to the total number of 65, is actually higher than that figure.

MR. GLICKSTEIN. You also draw on the city of St. Louis, don't you, for your employment?

MR. BALLARD. Yes, we do.

MR. GLICKSTEIN. As I recall, the black population of St. Louis is something like 43 percent?

MR. BALLARD. Well, in the city, it comprises 43.7 percent, according to the newspaper article.

MR. GLICKSTEIN. Why is it, Mr. Ballard, that black employees at Chrysler are not more widely represented in the supervisory, foremen categories? Why don't you have more black supervisors?

MR. BALLARD. Let me explain our program in this area, the selection of foremen. On a frequent basis we have been sending out letters to our foremen asking them for candidates for positions of foremen to send up to personnel for testing purposes. In talking with our foremen we found that they have contacted both white and blacks and have asked the blacks and white for their interest in becoming foreman candidates.

A number of both blacks and white have declined any interest in becoming a foreman or a candidate for a foreman. It's not an easy job to obtain candidates. At the present time in our foreman pool, and these are people who have been tested, we have approximately 150, about 10 percent are Negro applicants.

MR. GLICKSTEIN. Well, we heard some testimony a little while ago that in order to be a successful foreman you have the backing of management and you also have to have the cooperation of the people you are supervising. Would you agree with that evaluation?

MR. BALLARD. I would think so, yes.

MR. GLICKSTEIN. Has the Chrysler management in your plant given backing to Negro foremen?

MR. BALLARD. Yes, they have.

MR. GLICKSTEIN. And are you committed to standing behind and firming the authority of Negro foremen?

MR. BALLARD. Absolutely.

MR. GLICKSTEIN. Mr. Ballard, you furnished us a copy of the affirmative action plan of Chrysler Truck Plant dated October 1, 1968?

MR. BALLARD. Yes.

MR. GLICKSTEIN. Is that your most recent affirmative action plan?

MR. BALLARD. Yes, it is. We are, as I mentioned, we are in the process of revising this in line with EEO reporting, change of reporting date.

MR. GLICKSTEIN. I believe, Mr. Ballard, we also have a letter from you dated January 9, in which you describe various changes that you are planning to make in your affirmative action program. Is that correct?

MR. BALLARD. Yes.

MR. GLICKSTEIN. Now, you have advised us that your new affirmative action program will require the plant managers to meet with supervisors and direct them to evaluate all black employees for purposes of promotional consideration, and that your new plan also provides that the personnel department will maintain an active inventory of promotable black candidates. Have these or similar procedures been followed in the past?

MR. BALLARD. In the past our plant manager in many of our meetings with department heads and superintendents has stressed the need for foreman candidates, not on the basis of whether they are white or black but the fact that we need a pool or a bank of foreman candidates. He has stressed Chrysler's policy in affording promotional opportunities to black employees in the plant. Some of this has been done but we are going to make this on a more regular basis and set it out in detail.

MR. GLICKSTEIN. And it seems to be somewhat different from what you just described. You direct the foreman to evaluate all black employees for purposes of promotional activities.

MR. BALLARD. It is more affirmative.

MR. GLICKSTEIN. And you will maintain an active inventory of promotable black candidates?

MR. BALLARD. Yes.

MR. GLICKSTEIN. Mr. Chairman, may I introduce into the record the affirmative action plan dated October 1 and the letter from Mr. Ballard dated January 9?

VICE CHAIRMAN HORN. Without objection, so ordered.

(Whereupon the documents referred to were marked Exhibits No. 11 and 12 and were received in evidence.)

MR. GLICKSTEIN. As I read through your October 1, 1968 affirmative action plan it seems to me that—and this is issued from Detroit—it seems to me that it requires what you are now in January 1970 about to embark upon. And this goes back to my earlier question of whether some of the corporate policies and directives are not being implemented quickly enough or thoroughly enough in the Fenton plant.

MR. BALLARD. Would you kindly point out in what respect?

MR. GLICKSTEIN. Well, I think in reading through this October

1968 plan it provides, for example, that you are required to maintain current employment data on all minority and other applicable employees within Dodge Truck operations and audit personnel records to insure equal treatment for hiring promotion merit increases and disciplinary practices.

There are various other provisions of that sort to which I think could be fairly interpreted to include just what you have told us in your January 9 letter that you are about to embark upon. And I was just wondering whether my interpretation of the October 1, 1968 plan is correct.

Put it another way. If you had wanted to do what you are now saying you are about to do in October of 1968 when this order came out, you could have done it under this order; is that correct?

MR. BALLARD. And we have done it to a certain extent.

MR. GLICKSTEIN. To a certain extent. But you tell us now that you are going to go much further in January of 1970.

MR. BALLARD. Well, right. In our affirmative action program this was developed by our Dodge Truck operation, what we want to do at Missouri Truck is to develop our own that applies to the Missouri Truck Assembly Plant in light of our conditions in this area.

You will notice frequent mention in there of DTO and Dodge Truck Operation. We want to adapt one for the Missouri Truck Assembly Plant and set out our own affirmative action program. We have done some.

MR. GLICKSTEIN. I think that's the very point that I was trying to make at the beginning. All of the literature that your corporation puts out, that's put out in Detroit, and it is applicable to all phases of the company's operation. And it is up to the individual plant to implement it and carry it out in its own way. And I assume that in some instances certain things are done immediately and in some instances certain things are done over a longer period of time.

MR. BALLARD. That's right. For example, in this Phase 2 of this supervising and understanding the new industrial employee, we expect to have that completed by the end of January.

MR. GLICKSTEIN. What part of your program involves looking at the personnel records of black employees, noting the extent of education they have, the extent of experience, and then calling the employees in one by one into the personnel department and saying to them: "Now, look, on the basis of your education, your experience here, you seem to be management material," or "What's the problem, what's wrong, what do we need to do, how can we work this out so you can advance?" Will that be a part of your program, to evaluate individual employees?

MR. BALLARD. I think we will certainly be looking in this area for this type of—very type thing. We haven't really gotten down

into the final draft or the setting up of our own personal affirmative action program for our truck plant. There will be many things that we will be looking at in our affirmative action program.

Techniques and the methods on how we plan to do some of these things enter in a large part of what we are looking at in our new affirmative action program.

MR. GLICKSTEIN. The thing that concerns me, Mr. Ballard, is that I know that you, as any executive, have all kinds of priorities and you are busy with all sorts of different things, but it would appear that the carrying out a very thorough, very intense equal opportunity program, a very active affirmative action program isn't something that is terribly high on your priorities and that you are moving along at a rather casual pace in implementing this. Is that a fair statement to make?

MR. BALLARD. In implementing the one in October?

MR. GLICKSTEIN. October of '68, yes.

MR. BALLARD. No, we take quite a bit of pride in implementation of the October 1, 1968 —

MR. GLICKSTEIN. For example, in your January 9 letter you set out six points and you say: "However, there are positive programs contemplated which will be included in the new affirmative action program in addition to those mentioned in the current plan." When do you contemplate putting these into effect and implementing them?

MR. BALLARD. I understand there are certain programs being developed at corporate which might very well be of assistance and would become part of our affirmative action program. They haven't come down to the plant level yet.

MR. GLICKSTEIN. So there is still going to be a little period of time before it is fully implemented?

MR. BALLARD. Before we receive the information.

MR. GLICKSTEIN. Mr. Chairman, I do have some more questions but perhaps I —

MR. BALLARD. Sir, we have—and may I review some of the things that we have done on our affirmative action program?

MR. GLICKSTEIN. Yes.

MR. BALLARD. Number 1, this affirmative action program have been assigned to an employee in the personnel department.

MR. GLICKSTEIN. In what sense do you mean it has been assigned to him?

MR. BALLARD. He is responsible for following up its implementation.

MR. GLICKSTEIN. Developing it also or —

MR. BALLARD. I'm talking about the one in 1968.

MR. GLICKSTEIN. Right.

MR. BALLARD. Chances are both he and I plus others will be working on the new one.

On Section B on page 2, "maintain current employment data on all minority and other applicable employees within Dodge Truck operation and audit personnel records to insure equal treatment and hiring, promotion, merit increases and discipline practices." We have a regular internal audit on this now. We've had two compliance review audits since we've been in operation in Fenton. Both of these were favorable which does show that we have done work in this very area.

Under C, we've had a number of contacts from the NLRB and the Missouri Commission on Human Rights, we've provided any and all necessary documentation, arranged interviews for any particular individual that they would like to talk to, and fully cooperated.

Under D, on a daily basis through our employment areas and through our labor representatives on the floor, we maintain liaison with the corporate pre-employment training program representative in order to maintain an awareness of those programs.

Under E, we have established relationship with the Urban League, we have had several dinners with the Urban League. We had a compliance—these were informal dinners where we discussed the black community and Chrysler needs and things along these lines. We have assisted in a compliance seminar in April of 1969. We have been in contact with the NAACP, Concentrated Employment Program, and the National Alliance of Businessmen.

And as we go through these, we have done something in every one of these areas. What we want to do is pattern one for the Missouri Truck Assembly Plant and include new things, firm it up, particularly style it for our needs in this area.

VICE CHAIRMAN HORN. Dr. Mitchell?

COMMISSIONER MITCHELL. Mr. Ballard, now you mentioned testing a little while ago. I assume you mean you test an employee by exposing him to certain types of tests for promotion. Do I understand that correctly?

Mr. BALLARD. This would be for foreman or management or general salary jobs, yes, sir.

COMMISSIONER MITCHELL. And you apply those tests universally without prejudice to anyone who comes before you and is eligible to be tested or gets tested at your request?

Mr. BALLARD. Yes, sir, we apply those —

COMMISSIONER MITCHELL. You heard the earlier testimony from people at your plant who say that testing is a farce and that it's used as a device for discrimination?

Mr. BALLARD. That is not true. As I say, at the present time in our foremen pool we have 150 people who have been tested, about 10 percent of those are black employees. I would like to point out that testing alone is not the only selection. The basis for selecting the foremen, whether a person does good or bad on a test, it is only

a factor. It's one of many factors. A test will not tell you how an individual gets along with an employee or what his attitude is. The test doesn't necessarily develop these things. An attitude and ability to get along with fellow workers is a very important asset in order to be a successful foreman.

COMMISSIONER MITCHELL. Do you discuss test results and general evaluation of anyone up for promotion when the testing is finished and the decision is made?

MR. BALLARD. In many cases we do and we also point out the deficiencies. If a person is interested my training administrator spends many hours and has spent many hours reviewing test results with individual employees. As a matter of fact, in one particular case, my training administrator encouraged a black employee to get more technical, or better educate himself. This black employee is now in college on a leave of absence under Chrysler's contract, getting—attending college.

COMMISSIONER MITCHELL. You're the director of personnel and you have an office staff reporting to you, do you?

MR. BALLARD. Yes.

COMMISSIONER MITCHELL. How many people are in your department?

MR. BALLARD. I have 14.

COMMISSIONER MITCHELL. How many of your employees are black?

MR. BALLARD. I have one.

COMMISSIONER MITCHELL. Who establishes—who's the boss where you work? The plant manager?

MR. BALLARD. The plant manager.

COMMISSIONER MITCHELL. So this conversation that we are having about establishing policies or developing special policies for your particular plant as contrasted with action programs elsewhere depends upon his approval?

MR. BALLARD. No. It is reviewed with him and it is reviewed with our people in Detroit, his boss. It gets the approval of many people up the line.

COMMISSIONER MITCHELL. How do you get it approved? Does he tell you that the people up the line have approved it?

MR. BALLARD. No, we develop it here ourselves, working with people at our group level, based upon our statistics and our needs at our plant.

COMMISSIONER MITCHELL. Then you decide what goes in it and then that is the policy?

MR. BALLARD. And then I review it with him. And we review it with his boss and our corporate people and group people in Detroit.

COMMISSIONER MITCHELL. When do you find out when it's policy?

MR. BALLARD. When the people up in Detroit have said it looks okay to them, they —



COMMISSIONER MITCHELL. Who do they say that to now?

MR. BALLARD. They say that to us.

COMMISSIONER MITCHELL. To you in personnel?

MR. BALLARD. Yes.

COMMISSIONER MITCHELL. Not to the plant manager?

MR. BALLARD. Well, they also mention it to him, too. It comes from his boss to my plant manager. It will come down through personnel channels to me.

COMMISSIONER MITCHELL. Now, in developing this program that will be tailored to your particular plant with whom will you have discussions about the nature of an action program that will deal with this particular series of problems we are hearing testimony about here tonight?

MR. BALLARD. A good part of the discussion will be held with my people in Detroit in personnel furnishing them —

COMMISSIONER MITCHELL. Now, we are talking about especially tailored program for your plant here.

MR. BALLARD. Right. Furnishing them statistics and efforts in what our goals are in this program. The statistics and facts and suggestions and ideas and the things like this will originate from this plant. They may very well add more to it, refine it, modify it, to some extent.

COMMISSIONER MITCHELL. Who at this plant will you discuss these with before you finish developing them?

MR. BALLARD. My plant manager I would review it with.

COMMISSIONER MITCHELL. Would you review it with the union?

MR. BALLARD. No.

COMMISSIONER MITCHELL. Would you review it with the Black Workers Alliance?

MR. BALLARD. No.

COMMISSIONER MITCHELL. Why not, since it's really a program that is designed to affect them?

MR. BALLARD. Well, we feel that it is Chrysler's affirmative action program and it is our responsibility to implement it, the union as far as they are concerned, the Black Workers Alliance, really should have no part or concern in this.

COMMISSIONER MITCHELL. Do you feel the same way about the union, you would not discuss the affirmative action program with the union?

MR. BALLARD. No, I wouldn't.

COMMISSIONER MITCHELL. Isn't a great part of this program, and I'm asking you because I am genuinely curious, isn't a great part of this program designed to produce a relationship with your working force that's constructive, that eliminates prejudice, that deals with the kind of problems we've been hearing about? What's the affirmative action to do?

MR. BALLARD. The affirmative action program, of course, is in accordance with Chrysler policy of actively locating and offering promotional opportunity to minority employees.

COMMISSIONER MITCHELL. Well, if you need an affirmative action program, the assumption would be that you haven't really had adequate action and wouldn't you, therefore, be inclined to discuss the problem with the people who are subject to promotion?

MR. BALLARD. You are talking about the Black Workers Alliance?

COMMISSIONER MITCHELL. Well, it could be anybody, it could be a white worker or a black worker.

MR. BALLARD. No, we would not necessarily discuss this.

COMMISSIONER MITCHELL. Thank you.

VICE CHAIRMAN HORN. Mrs. Freeman?

COMMISSIONER FREEMAN. Mr. Ballard, you said that you had had two compliance reviews at your company and that the report was favorable. By whom was each compliance review made?

MR. BALLARD. The first one was made just as we were beginning to get in operation. I forgot the gentleman's name. The last one was made by Mr. Paul Smith.

COMMISSIONER FREEMAN. Was this made by a representative of a Federal contractor?

MR. BALLARD. Yes. This was a —

COMMISSIONER FREEMAN. A Federal agency?

MR. BALLARD. Yes.

COMMISSIONER FREEMAN. You are a Government contractor?

MR. BALLARD. Yes.

COMMISSIONER FREEMAN. With what Federal agencies does your company have contracts?

MR. BALLARD. Department of Defense would be one of them.

COMMISSIONER FREEMAN. The Department of Defense?

MR. BALLARD. Yes.

COMMISSIONER FREEMAN. And you also said that in response to, I believe, one of Mr. Glickstein's questions, that the employees, your supervisors are told regularly to treat everybody fairly. Has there been any question in your mind as to whether they understood what their treatment is? Has it ever come to you—on the basis of this report where 194 black employees out of 1,500 maybe, and it would appear to be an imbalance and you talk every week and they say, Yes, I am treating them fairly, does anybody check to find out, or to say to them fair treatment means a result rather than a statement?

MR. BALLARD. Well, let me, Mrs. Freeman, let me mention this. If an employee, an individual employee, does not feel that he is being treated fairly in any given situation he has a number of recourses.

COMMISSIONER FREEMAN. This is not what I am talking about. I'm trying to get at the pattern, the policy of the company, how

would you, and you say that this represents Chrysler policy, how does this picture look to you?

MR. BALLARD. As to whether our employees are being treated fairly?

COMMISSIONER FREEMAN. Yes, as to whether there is in fact equality of opportunity in employment.

MR. BALLARD. There is from my viewpoint, there is, and I am trying to determine, Mrs. Freeman, are you talking in the area of promotion?

COMMISSIONER FREEMAN. Let me put it this way. Could you tell us how many persons were employed by the Missouri Truck during the year 1969?

MR. BALLARD. How many employees?

COMMISSIONER FREEMAN. New employees.

MR. BALLARD. I have it here by month. Would that—I don't have the total here.

COMMISSIONER FREEMAN. I would like to know how many were white and how many were black.

MR. BALLARD. All right.

In January, '69 there was 13—these are hourly paid employees that I am talking about now—13 whites and 12 blacks.

COMMISSIONER FREEMAN. May I ask, in the hourly rate, is that rate the same for every employee who enters the employment?

MR. BALLARD. The job rate is the same. If two employees become spot-welders or assemblers they are paid the same rate.

COMMISSIONER FREEMAN. What I would like to know is, out of 13 employees is it possible that—oh, out of—that two of them may make \$2.50 an hour and six may make \$3.00 an hour? Is that possible?

MR. BALLARD. It wouldn't be quite that spread. It's conceivable that perhaps that one employee could be put in one department at a lesser starting rate than another employee in another department. As an example, one employee might be assigned to the janitor department. And in our plant the janitor department is a preferred department, really. It's not —

COMMISSIONER FREEMAN. Well, it would be helpful —

MR. BALLARD. He would start at a certain rate. He would start at a certain rate while another one might go into our assembly department and start at a little higher rate.

VICE CHAIRMAN HORN. You referred to hourly employees. In terms of that chart that you gave us for the record and it was updated tonight, you mean operative semi-skilled; is that what you referred to?

MR. BALLARD. Yes.

VICE CHAIRMAN HORN. You don't include craftsmen? Skilled?

MR. BALLARD. No.

VICE CHAIRMAN HORN. So we are talking about operative semi-skilled, new hires for the year 1969 by month?

MR. BALLARD. Yes.

COMMISSIONER FREEMAN. Well, then, it would be helpful for us to know, you say 13 whites and 12 blacks, could you give a breakdown, not necessarily tonight, but could you make available to this Commission the wage rates at which the 13 employees, new white employees and 12 new black employees —

VICE CHAIRMAN HORN. Maybe an average for each employee?

COMMISSIONER FREEMAN. Yes. And then it would be helpful if we would know the promotions during the year 1969, the black, from what to what step; the white, from what to what step; do you have that information? Can you give us that number?

MR. BALLARD. I don't have that information.

COMMISSIONER FREEMAN. Is it available? Can you obtain it? I mean at a later date and file it for us?

You see, questions have been raised and you were present, concerning your promotion pattern, and I must say that on the basis of what I see it would appear that there is an imbalance with respect to your promotion pattern.

MR. ROLF. Mrs. Freeman, I think I know what you are getting at. You wonder if the 13 white employees were all hired for the best jobs and the 12 black employees were all hired for the worst jobs. I think that's probably the thing that you are getting at, and I think we can assure you that that is not the case. If you'd like that confirmed —

COMMISSIONER FREEMAN. Yes.

MR. ROLF. If you'd like that confirmed by average hourly starting rates we can give you that for each of the months of the year 1969 or any other rate, or any other year that you would like and we can also assure you that we generally hire by openings. A man goes out, we all of a sudden have an opening in a department, we make a hiring. It's whatever job at that time that is available. We hire for that particular job. If a man who comes in is black, a black man is hired for that job. If the man comes in is white, a white man is hired for that job.

You'll get an average figure if that's what you want. I don't think it will be particularly meaningful because the hourly jobs are those for which the UAW is a collective bargaining agent and all of these hourly jobs at the Dodge Truck plant are within a certain given— and the same rate applies whether the job is held by a white man or a black man.

(The information referred to appears in Exhibit No. 45.)

COMMISSIONER FREEMAN. Well, the reason that we would like to know this, and we'll have to make our own judgment as to whether it is meaningful, is because in response to one of the questions Mr.

Ballard answered by saying, relating it to the population of the county, and if that is in fact a basis or one of your positions we would like to know your reasons for this.

MR. ROLF. No, it's not one of our positions, Mrs. Freeman, we are not making any claims for justification based on any population of the city, the county, or any other place. All we are saying is that you look at a figure, four against 109, or four against 205, then certainly a disproportion pops up. However, we believe that although there is a certain disproportion, and we admit that we've got a way to go, Chrysler isn't perfect, but we think that most of the employers in this area also aren't perfect, and we are striving just as we feel that most of the other employers of good faith are striving for. But we are saying also is that the disproportion which the numbers indicate really isn't that much of a disproportion.

For example, we had 187 of the 205 black employees were operative, semi-skilled. However, 1,091, almost 1,100 of the 1,462 white employees were also operatives. You look at those figures just standing there starkly and it appears that there is a disproportion. Well, certainly there is a disproportion but the disproportion is caused by the type of work that is performed at the Dodge Truck plant. That's the reason for the disproportion.

COMMISSIONER FREEMAN. But may I ask you if within this figure there are categories of supervisory positions?

MR. ROLF. Not within the 1,091.

COMMISSIONER FREEMAN. There are no foremen?

MR. ROLF. No.

VICE CHAIRMAN HORN. Could I just add to what Mrs. Freeman mentioned, you said you would furnish for the record a chart of new hires for the year 1969. Do you also have available for the year 1969 a chart by month, black and white for among the hourly workers? In other words, the operative semi-skilled, what the promotions were among that group between different hourly wage rates?

I think what Mrs. Freeman is speaking of is an average black and white by months for a promotion. In other words, once you come in what are the average levels? Is there any great discrepancy or substantial discrepancy between the two categories? And once you are in and then go into a promotion ladder, if you do, what is the difference if any?

COMMISSIONER FREEMAN. And how long does it take to get to the top?

MR. GLICKSTEIN. May I make one observation, Mr. Rolf, which might clarify this?

The rules and regulations of the Office of Contract Compliance that were issued effective July 1, 1968 and which are binding upon you state that an affirmative action program shall include the following: "1. An analysis of minority group representation in all job

categories." You have that. "2. An analysis of hiring practices for the past year, including recruitment sources and testing to determine whether equal employment opportunity is being afforded in all job categories; 3. An analysis of upgrading, transfer, and promotion for the past year to determine whether equal employment opportunity is being afforded."

I think what our Commissioners are after, are asking you for, is something that you are required to do under the law.

COMMISSIONER FREEMAN. The point is that—what is disturbing me, if you don't do it and if you don't have this—how were you able to get a favorable compliance review?

MR. ROLF. I think that probably what you are asking us for now are materials that are not included in an affirmative action program. These are materials that are supplied by Chrysler to the agency, the supervising agency, and the supervising agency then makes its determination. However, these figures, these analyses that you mentioned, are not supplied in any kind of a program.

MR. GLICKSTEIN. The order, Mr. Rolf, says that the affirmative action program itself shall contain the information that I just read to you.

MR. ROLF. Well, I don't know if the Office of Federal Contract Compliance reads the rules and regulations in the same way as you do. However, I would like to assure you that we have been receiving favorable determinations.

VICE CHAIRMAN HORN. How often, Mr. Glickstein, is that report required to be filed?

MR. GLICKSTEIN. A company has to have a current affirmative action program that contains all of these provisions if it is to continue as a Federal contractor. Such a plan has to be in effect 120 days after a company gets a Federal contract or else the contract is subject to cancellation.

VICE CHAIRMAN HORN. Do they update that annually then in terms of that statistical information required?

MR. GLICKSTEIN. Yes, sir.

VICE CHAIRMAN HORN. I think if you furnish us the material for the 1969 that Commissioner Freeman asked for, and then a copy of what your submission was to conform with that plan and what agency that went to, I think that would be very helpful.

COMMISSIONER FREEMAN. Thank you, that would help me. No further questions.

VICE CHAIRMAN HORN. Dr. Mitchell? No, go ahead, I have a number of questions.

COMMISSIONER MITCHELL. I have just one question.

MR. ROLF, I believe, made the observation that the kind of work being done at the Dodge Truck Plant has a great deal to do with its employment characteristics. Would you also feel that the place

it's located in and the availability of housing for all kinds of people would be in any way a contributing factor?

**MR. ROLF.** A contributing factor to the complexion of our employment, that is —

**COMMISSIONER MITCHELL.** That's right.

**MR. ROLF.** Black and white?

**COMMISSIONER MITCHELL.** That's right.

**MR. ROLF.** I agree with the Commissioner, I think it does have an effect. I'm not aware of the reason the plant was originally located in Fenton. That happened about 1958 or 1959, at that time the plant was constructed. But once more, what we did, we built an assembly plant, we built a truck plant, we closed certain operations in other States, moved the employees to St. Louis, then we hired locally. And we hired by those people who responded to the advertisements, responded to the request that we made to the Missouri Employment Security Commission, and, naturally, the people who would look for employment in Fenton would first of all be the people closer to Fenton and this also has something to do, I feel certain, with the composition of our work force.

**COMMISSIONER MITCHELL.** Has the company done anything in that area to try to —

**VICE CHAIRMAN HORN.** Excuse me, Commissioner. I've just been reminded by our Staff Director that Mr. Rolf is no longer acting as counsel, he is testifying. If you don't mind, for the record, could I swear you in, or Mr. Ballard answer the question?

(Whereupon, Mr. A. William Rolf was sworn by the Vice Chairman and testified as follows:)

#### TESTIMONY OF MR. A. WILLIAM ROLF, DETROIT, MICHIGAN

**COMMISSIONER MITCHELL.** I am just curious to know whether Chrysler in Fenton has done anything in the direction of persuading the community or communities in that area to change zoning habits, do what has to be done to make available kinds of housing opportunities for black people and other minority people?

**MR. ROLF.** I don't have any answer that I can tell you of my own knowledge. I can tell you of my own knowledge I know of no such action but I will not commit the corporation by my lack of knowledge.

**COMMISSIONER MITCHELL.** Thank you.

**VICE CHAIRMAN HORN.** Let me follow up on a few items here.

**MR. BALLARD,** we discussed the kind of tests that were given foremen in very general terms. Now, let me ask you, is there one test given to all foremen candidates?

**MR. BALLARD.** Yes.

**VICE CHAIRMAN HORN.** How long is that test, roughly?

**MR. BALLARD.** For management, battery of approximately 3 hours.

**VICE CHAIRMAN HORN.** Three hours. Is there any particular name?

Is that developed by the Chrysler Corporation or outside test development?

MR. BALLARD. It's been developed by Chrysler Corporation and I believe they had outside assistance on that.

VICE CHAIRMAN HORN. How long is that in written form? Is this a written test?

MR. BALLARD. Yes.

VICE CHAIRMAN HORN. How long is that, roughly, in pages, in printed pages?

MR. BALLARD. Well, it consists of a series of approximately four different tests. Maybe six or eight pages per each test. One might have a fewer number than that. And then there are breaks in between taking the test.

VICE CHAIRMAN HORN. Is that test confidential or do employees who are candidates for foremen know the questions that are going to be asked?

MR. BALLARD. No, they don't know in advance.

VICE CHAIRMAN HORN. In other words, what I'm getting at here —

MR. BALLARD. It's thoroughly explained to them by our training administrator.

VICE CHAIRMAN HORN. In other words, it would be unethical for us to ask for that test and to print it as part of our hearing? I am trying to get at what kind of a test is given. I take it, this would reveal the test unfairly?

MR. BALLARD. Yes, it would.

VICE CHAIRMAN HORN. I would like a copy of the test furnished our staff for the use of the Commissioners without going into the public hearing. I think this would be very helpful to see what the test is.

Do you feel that this test is an indication? Has any study been done on success on this test and success on the job as foreman?

MR. BALLARD. Not at our plant, they haven't. I can't speak for elsewhere in Chrysler. I would mention, and I would repeat, that the results of this test, as with many tests, and particularly for foremen, while they give you certain information and they are a factor, it is not the sole determining factor in a selection of a foreman.

VICE CHAIRMAN HORN. Well, this leads to my next question. What, in the total selection process of a foreman, what weight in percentage terms is given to this examination and is the weight given this examination the same for all applicants, or do you vary it between applicants?

MR. BALLARD. I think it would vary, it would have to vary somewhat, I believe, because all test results are not all the same with everyone who takes them. What I am saying in some areas a person



may score very well in a mechanical aptitude section of it and do very poorly in arithmetic. And another employee taking the test may do very well in arithmetic and very poorly in mechanical aptitude.

VICE CHAIRMAN HORN. Do you come out with individual scores as a result of this battery of tests?

MR. BALLARD. Yes.

VICE CHAIRMAN HORN. Or do you come out with a composite?

MR. BALLARD. There is an individual score and then a profile sheet that is developed that you take a look at and see how a person did: average, above average, below average.

VICE CHAIRMAN HORN. How many foremen were appointed in the year 1969?

MR. BALLARD. In terms of foremen I would say between 15 and 20.

VICE CHAIRMAN HORN. How many of those were black?

MR. BALLARD. In 1969?

VICE CHAIRMAN HORN. 1969.

MR. BALLARD. There were two to my knowledge.

VICE CHAIRMAN HORN. Could you furnish the Commission with the profiles of these various candidates? I am curious to see how people do on these examinations. We won't use names but, just as an example, we would like to see how these tests are given because, as you perhaps know, there is a great controversy as to the validity of many of these tests in relation to actual job performance and I think we have heard earlier this evening that the charge was made by some of the people talking here that they don't see how some foremen have passed some tests, whether in your corporation or elsewhere. And could you furnish us also with the percent weight, if any, for the various sections that the corporation gives.

Now, what other factors—you mentioned one, human relations on the job, I guess there are certain value judgments assigned, I guess based on the person's previous employment work experience. Would you care to weight whether this is half of his necessary qualifications to be made a foreman, subjective factors as opposed to test factors?

MR. BALLARD. Well, it would be strictly a judgment on my part at this time because in the selection of a foreman, the general foreman who might be doing selecting, might very well put more weight on an individual's ability to get along with his people because of the particular area where this foreman may be assigned.

VICE CHAIRMAN HORN. I see. So then the particular foreman might have different job requirements which is reasonable enough.

MR. BALLARD. Yes. I might also point out that we looked at his attendance record, employee's attendance record. We look at his record for—as to whether he had previous discipline, infraction of company rules. These enter in the picture.

VICE CHAIRMAN HORN. Let me ask you, you said earlier this

evening that the management did not post notice of skilled job openings. Is this correct?

MR. BALLARD. That's correct.

VICE CHAIRMAN HORN. Why don't you post notices for skilled job openings?

MR. BALLARD. Well, traditionally Chrysler has not been in favor of this from a labor relations standpoint. In actuality, the union generally is aware of openings in the skilled trades area before we are, in personnel.

VICE CHAIRMAN HORN. Are you saying then that this gets to be sort of a buddy system where he who knows about it passes it on to his cousin or his uncle?

MR. BALLARD. No. I'm not saying that. I'm saying that the union at our plant in dealing with the supervisors out on the floor, and they have a pretty good knowledge of anticipated work increases in the skilled trades areas and they can expect these things and they generally let us know that there is a requisition to be filled coming up.

VICE CHAIRMAN HORN. Are you prohibited by your collective bargaining agreement from posting notices on such job opportunities?

MR. BALLARD. We don't have any requirement to do so.

VICE CHAIRMAN HORN. How about lateral transfer once an individual is in a department? Is there anything in your collective bargaining agreement that really inhibits a person who might have spent 10, 13 years in a particular department from applying for a position in another department that happens to be open and perhaps at a higher hourly wage rate or higher level of employment?

MR. BALLARD. At our plant we have an unwritten agreement where an employee who desires to transfer from one department to another may make application at our employment department. When an attritional type job opens in that department we have told the union that we will give consideration to transferring that employee to the department of his choice, and we have done so in many cases.

VICE CHAIRMAN HORN. Does he lose his seniority?

MR. BALLARD. No, he takes it into the department with him.

VICE CHAIRMAN HORN. In other words, seniority for job opportunities within this particular plant depend upon when you join the company, not when you join the department?

MR. BALLARD. Right, with one exception is when you go from a nonproduction department to a skilled trades department.

VICE CHAIRMAN HORN. I take it, on the chart that you furnished us the unionized members in those job categories are those craftsmen, skilled; operative; semi-skilled; and apprentices. Is that correct?

MR. BALLARD. Craftsmen, skilled, the 106 figure. Those would be the skilled tradesmen.

VICE CHAIRMAN HORN. And how about the operatives, would they also be unionized?

MR. BALLARD. Yes.

VICE CHAIRMAN HORN. And the apprentices?

MR. BALLARD. Yes.

VICE CHAIRMAN HORN. Is this one union in your plant that you bargain with?

MR. BALLARD. Yes.

VICE CHAIRMAN HORN. Now, do you have—let's just talk generally about—this afternoon, Mr. Harold Schreiber, the director of the Chrysler Institute, testified as to the training they were doing and some of the products of their Institute do, I suspect, go to your plant. Is that correct?

MR. BALLARD. Yes.

VICE CHAIRMAN HORN. What follow-up procedures do you have through your personnel office to help people that have gone to this Institute to continue to develop and grow on the job?

MR. BALLARD. Every employee who comes into our plant, who goes through this program, or who is hired off the street is evaluated by personnel as to any particular qualifications or skill that he may have. And this information is recorded and sent to our training and personnel development man. Our training and personnel development man also furnishes to all new employees the tuition refund program which is a benefit at Chrysler which enables an employee voluntarily to improve his chances of job promotion and have Chrysler pay for the cost of the program, tuition refund, tuition cost.

VICE CHAIRMAN HORN. I was going to ask you on that program a little later, is that tuition refund program open to all employees in the plant?

MR. BALLARD. Yes.

VICE CHAIRMAN HORN. Both union and nonunion?

MR. BALLARD. Yes.

VICE CHAIRMAN HORN. Could you furnish the Commission with a table as to how many took advantage of that program in the year 1969 and the percent black and the percent white that took advantage?

MR. BALLARD. Yes, I have some —

VICE CHAIRMAN HORN. In 1969?

MR. BALLARD. I don't have —

VICE CHAIRMAN HORN. Could you just furnish the record, if you would, at a later date? We'll insert it at this point in the record.

(The information referred to appears in Exhibit No. 45.)

MR. BALLARD. I do have some information on this tuition refund program as it applies to its use at our plant.

VICE CHAIRMAN HORN. Why don't you furnish that with the statement at that time in a letter to the Commission?

Go ahead, you were—if you had anything else on that particular question. Did you have anything else to say?

MR. BALLARD. The tuition refund leaflet is passed out. If an employee has any questions on it my training administrator is more than happy to get with him and explain it and encourage these type employees.

Now, once the employee gets into—we're talking about job related problems that he might incur once he gets out into the plant, or just his educational opportunities to improve himself for advance?

VICE CHAIRMAN HORN. I think the educational opportunities for advancement. Do you have anything else on this point?

MR. BALLARD. I might mention that the tuition refund program does not apply to executives.

VICE CHAIRMAN HORN. Does not apply to the official and managerial category? How about the professional category?

MR. BALLARD. Well, the executives are included in the official and managers.

VICE CHAIRMAN HORN. I see.

Let me move on a minute. You mentioned the sensitivity sessions earlier. You said some were held in 1968. You explained who they were held for. I didn't quite catch it. Did that include the personnel office staff participating in these sessions, those that might be hiring individuals?

MR. BALLARD. I would have to double-check that. I know that I attended it myself.

VICE CHAIRMAN HORN. Perhaps you could furnish that for the record, and at your convenience.

(The information referred to is contained in Exhibit No. 45.)

Now, let me get into a subject which I asked yesterday but I would like to repeat for the public record, just to be crystal clear on responsibility.

I asked how, who is responsible for the judgment as to initial hiring? Is it the company or is it the union?

MR. BALLARD. It's the company.

VICE CHAIRMAN HORN. It's the company. In other words, you have sole responsibility of whether you take a man and whether he is qualified for the job opportunity?

MR. BALLARD. Yes, for a new hire, yes.

VICE CHAIRMAN HORN. Once he's employed, who has the responsibility? We've heard charges here or statements earlier this evening that there is sort of a conspiracy between management and union. We've talked about not posting the job opportunities. Who has the responsibility for promotions once the individual is in the plant?

MR. BALLARD. Once an individual becomes an employee of Chrysler

and is assigned to a department the provisions of our national collective bargaining agreement take over. When a promotional opportunity develops within that department it is filled in accordance with the promotional section of our collective bargaining agreement. Essentially this is seniority and ability to perform the work.

VICE CHAIRMAN HORN. Which of the two factors is predominant, seniority or ability?

MR. BALLARD. Seniority.

VICE CHAIRMAN HORN. Seniority comes first?

MR. BALLARD. Yes.

VICE CHAIRMAN HORN. One last question.

Have you mentioned—you mentioned that the plant manager had mentioned to some of his subexecutives the equal opportunity policy of the corporation. I would like to develop that a second. I assume you have a bonus system for production at this particular plant, do you, where executives are rewarded based on production of their particular units?

MR. BALLARD. No, we don't.

VICE CHAIRMAN HORN. You don't? In terms of material production I am talking about now?

MR. BALLARD. No.

VICE CHAIRMAN HORN. Some corporations do have an incentive if you increase production 20 percent a year you share —

MR. BALLARD. No.

VICE CHAIRMAN HORN. Have you ever recommended to the plant manager or has he on his own initiative held meetings with the various subexecutives that are responsible to him, the people at your level of—managers, both production and staff level and said: "Look, we really mean business on equal opportunity and your own salary increases, bonuses, if any, and promotions within this corporation will be dependent upon how you produce in this area." Has that ever been done?

MR. BALLARD. Yes, it has. And during the review for promotional or merit increases one supervisor, the plant manager, frequently asks how has this supervisor, general foreman, been doing in the area of determining, the coming up with qualified black employees who might fit into foreman job, what has he done to develop backup material in the way of black foremen and white foremen, backup material in the event he should lose one of his present supervisors.

Yes, that has been mentioned several times.

VICE CHAIRMAN HORN. Any further questions?

Thank you very much, Mr. Ballard, Mr. Rolf.

MR. ROLF. Mr. Chairman, I think I would like to ask Mr. Ballard a couple of questions for the record, if I could.

VICE CHAIRMAN HORN. Certainly.

MR. ROLF. Mr. Ballard, do you know when an applicant comes in

for employment and he requests to be an employee is he tested before he is permitted to file an application and become an employee?

MR. BALLARD. No, he is not tested prior to becoming an employee. At one time we did.

MR. ROLF. Do you know when the testing requirement was removed?

MR. BALLARD. I don't have the exact date. It was within the last couple of years. The reason for—I know the reason for it.

MR. ROLF. Would you state the reason, please?

MR. BALLARD. The Chrysler 5-minute test in order to become qualified to apply for a job and be accepted, an employee had to pass  $\alpha$ , or make a certain mark on this test, get so many correct, and we found out that many black people who applied for the job were disqualified on the basis of this test alone. And it was discontinued, eliminated at our plant.

After a man becomes an employee of our plant he is evaluated as to any particular skills that he may have that we might use in promotional placement down the road.

VICE CHAIRMAN HORN. We are running behind time. Did you have any further questions, Mr. Rolf?

MR. ROLF. I have about two or three that I would like to get into the record, Mr. Chairman.

VICE CHAIRMAN HORN. Proceed.

MR. ROLF. All right.

And this is also in response to an earlier question that Mrs. Freeman asked. Mr. Ballard, Mrs. Freeman asked about promotion within the collective bargaining unit. Do you happen to know which are the most desirable or which are the highest paying classification within the collective bargaining unit?

MR. BALLARD. Within the normal production department an employee would begin as an assembler and based upon promotion would promote to a relief classification, a utility classification, and then to a repair classification, with each classification being more money for each classification, per hour.

MR. ROLF. Do you have any idea of the number of employees presently in each of these most desirable classifications and the percentage of them who are black?

MR. BALLARD. Yes, I do.

MR. ROLF. Would you please give that?

MR. BALLARD. As of January 6, 1970, in the relief classification at the Missouri Truck Plant there were 62 white employees on relief classification and 16 black employees. This is a ratio of 20.1 percent.

In the utility classification, there were five white employees and three black employees, a ratio of 37.5 percent.

In the repair classification, 80 white employees, 20 black employees, or 20 percent ratio.

I believe this does show that the opportunity for black employees within a department to improve himself both moneywise, by promoting to higher paid jobs.

MR. ROLF. Do you know, Mr. Ballard, does the corporation have a program of identifying high potential employees in each location for further development to a higher position?

MR. BALLARD. Are you talking salaried here or hourly?

MR. ROLF. Salaried employees.

MR. BALLARD. Yes, the corporation has asked the Missouri Truck Plant to identify high potential black salaried employees and we have furnished this information to our corporate personnel department.

MR. ROLF. Have you identified any such employees who are black?

MR. BALLARD. Yes, we have.

MR. ROLF. How many?

MR. BALLARD. There are three.

VICE CHAIRMAN HORN. Is that all, Mr. Rolf?

MR. ROLF. Yes. There are many other things that I could ask which I think might, as a composite with all of the other material in this record —

VICE CHAIRMAN HORN. If you would like to submit a statement for the record, the Commission would welcome it.

MR. ROLF. I don't have a statement.

VICE CHAIRMAN HORN. Well, I mean at your convenience why don't you submit a statement and we will have it printed with the record at this point.

(The statement referred to appears in Exhibit No. 45.)

Gentlemen, thank you very much.

Having heard so much about labor relations this afternoon and this evening the Commission will take a 5-minute recess and then come back together for the last two presentations of the evening.

VICE CHAIRMAN HORN. Charles L. Windsor, director of personnel service, McDonnell Douglas, accompanied by Mr. Orrie Dueringer, manager of the housing office, McDonnell Douglas. Would you please take the stand?

Mr. Roudebush, if you are going to testify, I think you might as well take the oath, also.

MR. ROUDEBUSH. I don't expect to. I don't mind taking the oath, something may come along.

VICE CHAIRMAN HORN. All right.

(Whereupon, Mr. Charles L. Windsor, Mr. Orrie W. Dueringer, and Mr. G. S. Roudebush were sworn by the Vice Chairman and testified as follows:)

**TESTIMONY OF MR. CHARLES L. WINDSOR AND MR. ORRIE W. DUERINGER, ST. CHARLES, MISSOURI; AND MR. G. S. ROUDEBUSH, ST. LOUIS, MISSOURI.**

VICE CHAIRMAN HORN. Mr. Glickstein?

MR. GLICKSTEIN. Would you each please state your full name and addresses for the record?

MR. DUERINGER. Orrie W. Dueringer, 600 Lindenwood, St. Charles, Missouri.

MR. WINDSOR. Charles L. Windsor, 9 Ranch Lane.

MR. ROUDEBUSH. G. S. Roudebush, 2127 North Dallas Road, St. Louis.

MR. GLICKSTEIN. What is your occupation, Mr. Windsor?

MR. WINDSOR. I am director of personnel services at the McDonnell Douglas Corporation.

MR. GLICKSTEIN. Mr. Chairman, Mr. Windsor has submitted to the Commission a statement. May I request that his statement be incorporated into the record as an exhibit?

VICE CHAIRMAN HORN. Without objection, it is so ordered.

(Whereupon, the document referred to was marked Exhibit No. 13 and received in evidence.)

VICE CHAIRMAN HORN. Perhaps you would like to summarize some of the points for the Commission?

MR. WINDSOR. I don't think it will take very long. May I read the statement? I can go through it probably just as fast as I could summarize it.

VICE CHAIRMAN HORN. What have we got, a 6½ page statement? The usual form is to summarize it but feel free to proceed.

MR. WINDSOR. I can read it?

VICE CHAIRMAN HORN. Sure.

MR. WINDSOR. Mr. Chairman and members of the Civil Rights Commission, my name is Charles L. Windsor and I am director of personnel services for the McDonnell Douglas Corporation.

I am here in response to a subpoena issued by the Commission. I would like to outline briefly the historic and present employment policies at McDonnell Douglas and I should be glad to answer to the best of my ability any questions that the Commissioners or members of the Commission staff may have.

From its beginning more than 30 years ago, McDonnell Aircraft, now a component of the McDonnell Douglas Corporation, has continuously offered employment opportunities to the qualified without discrimination because of race, creed, color, or national origin. Our leadership in this field has earned us praise from such organizations as the St. Louis Urban League and from Negro publications such as the St. Louis Argus, recognizing our impartiality and offering opportunities for meaningful employment to members of the black community in St. Louis.



In 1962 under President Kennedy, a voluntary organization made up of a number of companies, including several aerospace companies, formed what was called the President's Commission on Equal Employment Opportunity Plans for Progress. As you will recall, Plans for Progress was initially headed by the Vice President, Lyndon B. Johnson and on February 7, 1962, our board chairman, James S. McDonnell, personally signed a joint statement on Plans for Progress with Vice President Johnson and the then Secretary of Labor, Arthur Goldberg, pledging our participation. This pledge reiterated our position relative to pursuing actively the offer of employment opportunities to minority groups to seek out through all employment sources, including public and private agencies, schools and colleges, minority group members for all job categories for which we hire, including professional engineering positions, technical positions, administrative and clerical positions, and shop work.

Under Plans for Progress in 1965 our company took the lead in organizing a group of St. Louis business concerns to participate in the first Vocational Guidance Institute Plans for Progress in St. Louis. Under the leadership of the general chairman of the steering committee for the Vocational Guidance Institute, who was the vice president of personnel at McDonnell Aircraft Corporation, some 12 companies joined in financing this effort.

The Institute consisted of a 4-week educational program for vocational guidance, for high school teachers, high school principals, and other key high school teachers, all from predominantly Negro schools. Its purpose was to demonstrate that there was in fact an opportunity for the black citizen in American enterprise and that education was a key to open the door to this opportunity.

One-half of the program consisted of vocational guidance instruction on the campus of Washington University, St. Louis and the other half involved plant visits and demonstrations of successful careers by black people.

During the 2-year period commencing in mid-1965, McDonnell required a massive personnel buildup on behalf of the F-4 Phantom Program and this provided us our greatest opportunity to expand our employment. During this period we conducted a training program that was perhaps without parallel in the history of our industry. More than 6,000 black workers from the St. Louis community were included and received training for entry aircraft manufacturing jobs which we refer to as vestibule training. This training was done on our premises on nonproduction work but prepared the trainee for production jobs in such skills as sheet metal structural assembly, electrical assembly, riveting, and as airplane mechanics and inspectors. All these trainees were paid while being taught.

The training period for each class ranged from 4 to 6 weeks.

Since the establishment of the National Alliance of Businessmen

by President Johnson in January 1968 and Mr. McDonnell's appointment as a charter member of the board of directors of that organization, he has personally devoted increased time, effort, and thought to this pressing national problem. He is now completing his second year as a member of the board of the National Alliance of Business and is regional chairman of Region 6, which includes 10 States.

As you know, this organization is dedicated to seeking out the disadvantaged minority group member, the uneducated, the untrained, the real dropout from society and after finding him, to attempt to rehabilitate him, train him and introduce him to productive and meaningful work.

One thing we have learned in our NAB experience is that identification of the problem is simple but the solution is most complicated. I need hardly elaborate. You and I are both aware of the problem. Unfortunately, for the impatient black, whose impatience is understandable, there is no fast magic solution. Training and education, accompanied by employment practices that will enable motivation of the individual seem to me to be the long range solution.

Despite the reduction in our total work force, to which I have already referred, we have for the past 2 years run a special summer training employment program, "Step". This unique effort, financed entirely by company funds, is intended to help disadvantaged youth from the ghetto and it has been most successful. These youngsters are paid to come to school on our premises where they learn sheet metal structure assembly and electrical assembly.

The program also includes classroom work in math, English, personal hygiene, personal finances, et cetera.

During the shop portion of their training, each student builds his own metal tool box and at the end of the term both the box and the hand tools used to assemble it are presented to the student.

The electrical assembly phase of training culminates with each student assembling an AM-FM short-wave radio, for which we buy all the parts and the student also gets to keep this.

Unfortunately, the aerospace industry suffers from an unavoidable succession of ups and downs. Due to a reduction in Phantom production and the cancellation of the man orbiting laboratory and Gemini B contracts, employment in our St. Louis facilities was declining despite our very best efforts. The resulting layoffs were administered in full compliance with our union contracts which require observance of seniority rights, and many of these—many of those we had to release were employed during the Phantom F-4 buildup period.

Last month we were awarded the contract to design and build the F-15 Air Superiority Fighter for the United States Air Force and at that time board chairman McDonnell announced that the

winning of the contract could be expected to stem the downward employment trend and certainly would have a stabilizing effect. We are, of course, very happy that this is so.

This concludes my comments on our traditional employment practices. I shall be glad, as I have said, to respond to questions. Thank you.

MR. GLICKSTEIN. Mr. Windsor, what are your responsibilities as corporate manager of personnel services for McDonnell Douglas?

MR. WINDSOR. I am corporate director, Mr. Glickstein.

MR. GLICKSTEIN. Pardon me?

MR. WINDSOR. I am corporate director of personnel services.

MR. GLICKSTEIN. Corporate director, pardon me.

MR. WINDSOR. To administer the policies and practices of the corporation and the various companies throughout the various States.

MR. GLICKSTEIN. Throughout the United States?

MR. WINDSOR. Yes.

MR. GLICKSTEIN. Mr. Windsor, do you know the extent of the Government contracts that the McDonnell Douglas Company has?

MR. WINDSOR. Not specifically.

MR. GLICKSTEIN. Mr. Chairman, I have a copy of McDonnell Douglas' 1968 annual report. On page 19 of that annual report it indicates that in 1968 the company's sales were \$3,609,295,227, and the report on page 17 indicates that the division between commercial and Government service will probably again divide almost evenly between the two categories.

May I introduce those portions of the annual report into the record?

VICE CHAIRMAN HORN. Without objection it is so ordered. I wonder, would you like an updating for the last fiscal year that is now complete?

MR. GLICKSTEIN. I understand the data aren't in yet.

VICE CHAIRMAN HORN. I see.

(Whereupon, the document referred to was marked Exhibit No. 14 and received in evidence.)

MR. GLICKSTEIN. Mr. Windsor, do you have any idea how much the F-11 contract is going to amount to?

MR. WINDSOR. No, sir, I don't.

MR. GLICKSTEIN. Mr. Chairman, I have a copy of an article —

MR. ROUDEBUSH. Mr. Chairman, I believe you said F-11.

MR. GLICKSTEIN. I am sorry. F-15.

MR. WINDSOR. Mr. Glickstein, the only thing I am aware of relative to dollars are figures I have seen in the paper.

MR. GLICKSTEIN. Mr. Chairman, may I introduce into the record an article from this Sunday's St. Louis Post-Dispatch that was written by Mr. David S. Lewis, the president of McDonnell Douglas in which he referred to the contract as a multi-billion dollar contract.

May I also introduce into the record an article of that same date under the byline of Al Deluga, St. Louis Post-Dispatch, in which he says so far the award to McDonnell of a program expected eventually to reach a cost of about \$8 billion.

VICE CHAIRMAN HORN. Without objection, both items will be placed in the record.

(Whereupon, the documents referred to were marked Exhibits No. 15 and 16 and received in evidence.)

VICE CHAIRMAN HORN. I think it's only appropriate since it is a newspaper column if there are any errors in fact in that column that the corporation be allowed to have a letter at this point once the material is printed.

MR. ROUDEBUSH. Very well. May we give you our news release which was based on the announcement to us by the Air Force, which —

VICE CHAIRMAN HORN. Without objection that will also be placed in the record at this point.

(The document referred to was later submitted and appears in Exhibit No. 42.)

MR. GLICKSTEIN. Mr. Windsor, you have furnished us with employment data for your company as of December 14, 1969 and that table indicates you had 33,007 employees on board at that time; salaried and hourly employees. Is that correct?

MR. WINDSOR. These are the latest figures I have, yes, sir.

MR. GLICKSTEIN. And the table —

MR. WINDSOR. In the St. Louis area, that is.

MR. GLICKSTEIN. Yes.

MR. WINDSOR. I want to be sure to clarify that.

MR. GLICKSTEIN. That is right.

And the table also indicates that of that number, 2,507 are black and 66 are members of other minorities. Is that correct, sir?

MR. WINDSOR. I haven't the totals quite that way but it looks like that is a correct figure.

MR. GLICKSTEIN. We added the men and the women together. Your total is broken down by sex. We added the men and the women together. I think our addition is correct.

MR. WINDSOR. Well, I've got a total on all minority group employees here which is 2,574. I believe the figures that you gave would total to that. Is that correct?

MR. GLICKSTEIN. 2,573.

Also, Mr. Windsor, according to the latest employment statistics your office made available to members of our staff, they indicate that out of 1,131 assistant foremen supervising collective bargaining unit employees, 30 are from minority groups; that out of 353 foremen, one is from a minority group, and out of 132 general foremen there are no minorities.

In other words, out of 1,616 supervisory personnel only 31, or about 2 percent are minorities. Would you please tell the Commission, Mr. Windsor, why in your opinion there exists this disproportionate number of minority workers in these categories?

MR. WINDSOR. Well, I believe, Mr. Glickstein, the best way I could explain that is after you had asked that question in my office I went back and asked for some information on experience factors of the people in these categories. If I may attempt to explain it in this way: From the time an individual comes in off the street and goes through our training school, and let's take one classification as an example, a sheet metal assembler and riveter. From the time they come in off the streets, go through our training school, go through the labor grades 5, 3, 2, and 1, and assuming that there is no interruption of promotion from one grade to the other, one grade to a higher grade, it would take almost 6 years to get to the top of grade 1.

At that time and most of our assistant foremen have been at the top of grade 1 in a production classification before being considered for an assistant foreman job.

I have also done some spot checking on the foreman level and it would appear that it takes approximately 12 years average experience before an individual goes into the foreman category.

I also asked for a complete review of the 132 general foremen who are currently on the payroll. Of that 132 general foremen currently on the payroll, the average amount of experience on entering in that job classification is 18 years.

MR. GLICKSTEIN. What about—have you done a similar calculation for the 1,101 assistant foremen?

MR. WINDSOR. No, sir.

MR. GLICKSTEIN. Or for the 352 who are foremen?

MR. WINDSOR. I think I—pardon?

MR. ROUDEBUSH. I thought he had answered that.

MR. WINDSOR. The first question on the assistant foreman.

MR. GLICKSTEIN. You haven't answered that. You haven't done a similar calculation for the 1,101 assistant foremen that you have done for the general foremen, have you?

MR. WINDSOR. No, sir. I haven't reviewed 1,100 assistant foremen, no.

MR. GLICKSTEIN. How about the 352 foremen?

MR. WINDSOR. No, sir, I have not. I said I spot-checked some of them and it would appear that it's about 12 years.

MR. GLICKSTEIN. The thorough review that you did was of the 132 general foremen?

MR. WINDSOR. Yes, sir, because this was the question that was asked in my office: Why do you not have any general foremen?

MR. GLICKSTEIN. So your answer is that there haven't been—

correct me if I am not paraphrasing you correctly—that there just haven't been adequate or sufficient number of black employees with the necessary years of service with the company to rise to the ranks of assistant foreman, foreman, and general foreman?

MR. WINDSOR. I would say the percentage is considerably small. And, of course, in order to become a general foreman it's not just a matter of time alone. An individual would have to go through the step ladder effect of the supervisory rank of the assistant foreman, foreman, and be progressively promoted. He certainly can't move to a higher level job without having had experience in the lower level job.

MR. GLICKSTEIN. Of the 31 black foremen that you have, the 30, the assistant foreman and one foreman, what type of employees do these 31 employees supervise?

MR. WINDSOR. I would say that the majority would probably be in the production organization or they wouldn't carry the title of assistant foreman.

MR. GLICKSTEIN. The production organization?

MR. WINDSOR. I would think so.

MR. GLICKSTEIN. And they would be supervising crews of blacks and whites?

MR. WINDSOR. Yes, sir.

MR. GLICKSTEIN. Do you have a grounds and housekeeping division also?

MR. WINDSOR. Yes, we do have.

MR. GLICKSTEIN. Do you know how many of the 30 assistant foremen are in that?

MR. WINDSOR. I do not have that information with me tonight. It was not asked for so I didn't secure it.

MR. GLICKSTEIN. Can you guess?

MR. WINDSOR. No, I can't.

MR. GLICKSTEIN. Would you submit that to us, please?

MR. WINDSOR. Yes, sir.

(The information referred to appears in Exhibit No. 42.)

MR. GLICKSTEIN. Do you have educational requirements for obtaining a supervisory position? Do you require a specific level of education?

MR. WINDSOR. Mr. Glickstein, to the best of my knowledge, the last time I was in the supervisory program was almost a year ago and I believe that the qualification at that time was a high school education or an equivalency examination.

MR. GLICKSTEIN. Let's backtrack for a moment, Mr. Windsor. Would you happen to know where the one black foreman is located?

MR. WINDSOR. No, sir.

MR. GLICKSTEIN. Now, you have mentioned that to the best of

your recollection, a high school education is required to become a foreman?

MR. WINDSOR. Or a general equivalency examination.

MR. GLICKSTEIN. Or general equivalency degree?

MR. WINDSOR. Yes.

MR. GLICKSTEIN. What other factors are considered in selecting supervisors?

MR. WINDSOR. This is quite involved and there is a program which has been very carefully reviewed by our contract compliance organization. That program was reviewed recently. I do not have the entire program with me. And I haven't looked at it recently.

MR. GLICKSTEIN. You are not able to tell us today what other factors are considered besides —

MR. WINDSOR. It's a rather involved program consisting of a number of factors that I don't believe that I could recite offhand tonight. I would be glad to submit it to the Commission any time they would like to see that.

MR. GLICKSTEIN. Would you please do that?

MR. WINDSOR. Yes, sir.

(The information referred to is contained in Exhibit No. 42.)

MR. GLICKSTEIN. We heard mentioned earlier today of the supervisory pool. Are you able to tell us what that is?

MR. WINDSOR. This is what I am talking about, this preselection supervisory pool.

MR. GLICKSTEIN. And that, you don't have the details about how that works?

MR. WINDSOR. No, sir, it is a pretty involved program.

MR. GLICKSTEIN. We also heard testimony today to the effect that it is possible for a foreman or a department head to make his own selection of assistant foremen without the approval of the training section and from outside of the supervisory pool. Are you able to comment on that?

MR. WINDSOR. That is not true.

MR. GLICKSTEIN. That is not true?

MR. WINDSOR. No, sir.

MR. GLICKSTEIN. If an assistant foreman is to be placed on the job it is required that he must be taken from the supervisory pool?

MR. WINDSOR. Yes, sir.

MR. GLICKSTEIN. If a foreman desiring to select an assistant foreman indicates to a particular individual that he would like this man to become the assistant foreman, is it possible to go through the supervisory pool chain very quickly?

MR. WINDSOR. Not very quickly, no.

MR. GLICKSTEIN. A matter of days?

MR. WINDSOR. I'd say in a matter of days.

MR. GLICKSTEIN. It could go through?

Mr. WINDSOR. An individual could, yes.

Mr. GLICKSTEIN. Let me give you a hypothetical. If a foreman said to one of his colleagues in his carpool in the morning: "There's an assistant foreman position opening up in my department and I'd like you for it and I am prepared to select you, I'll indicate to management that I want you. Get your present supervisor to indicate that you want it and that he is willing to release you and get into the supervisory pool." Could something like that happen? And —

Mr. WINDSOR. Mr. Glickstein, you said this is a highly hypothetical question and I'll give you the same type of answer. If this was brought to our attention and we were aware of it, we would violently oppose it.

Mr. GLICKSTEIN. If the man took the supervisory test, supervisors' test, and passed all of the factors that are required to get into the supervisory pool, I assume that you would —

Mr. WINDSOR. There would be other people that have been in the pool for a long time waiting for an opportunity and this would be a very poor personnel administration program if we permitted this to happen.

Mr. GLICKSTEIN. But it could happen?

Mr. WINDSOR. I did not say that. I said if we were aware of it, we would violently oppose it. This is a hypothetical question and I have given you an answer to that type of question.

Mr. GLICKSTEIN. What sort of training do you give to your line supervisors in the area of equal employment opportunity?

Mr. WINDSOR. Once an individual is selected for assistant foreman training they are then put on a salary payroll and they are put in a training program, a presupervisory training program for approximately 4 weeks full-time.

Mr. GLICKSTEIN. And that's to train him in all the different elements that go into making a supervisor?

Mr. WINDSOR. Train him on how to handle people and what their job responsibilities will be. Approximately 80 percent of this training is in the general area of sensitivity and human relations.

Mr. GLICKSTEIN. Well, there are some companies in the country as I am sure you know that have special sensitivity programs that are designed to probe indepth black-white relations and the problems attendant upon that. Is something like that done in your program?

Mr. WINDSOR. Some of this is, yes.

Mr. GLICKSTEIN. Some of it is?

Mr. WINDSOR. Yes.

Mr. GLICKSTEIN. Has your program as it's been reviewed by the contract compliance people been satisfactory to them in that respect?

Mr. WINDSOR. To the best of my recollection, approximately a year ago they conducted a very extensive review which I believe was



five compliance people in our plant for 4 weeks or four people for 5 weeks, I forget, at which time they thought some improvements could be placed in this particular program.

I cannot tell you specifically tonight a point by point what these comments were but we agreed to the improvements which they had recommended and they were implemented in the program. I am sure that they were implemented because I have had reports sent back to me to that effect.

MR. GLICKSTEIN. Who in the company has the responsibility for making certain that the provisions of the Executive Order 11246 governing Government contractors is implemented?

MR. WINDSOR. I would say that responsibility is the responsibility of the corporate vice president of personnel.

MR. GLICKSTEIN. And does he assume that personally or has he delegated some of that responsibility to others?

MR. WINDSOR. He has assigned that responsibility to me on the corporate level at the present time.

At the company level here in St. Louis that would now be the responsibility of the director of personnel in McDonnell Aircraft Company.

MR. GLICKSTEIN. Who is your subordinate?

MR. WINDSOR. No, sir.

MR. GLICKSTEIN. He's not your subordinate?

MR. WINDSOR. No, sir.

MR. GLICKSTEIN. But on the corporate level —

MR. WINDSOR. He reports to the president of McDonnell Aircraft.

MR. GLICKSTEIN. But on the corporate level it is your responsibility?

MR. WINDSOR. Yes, sir.

MR. GLICKSTEIN. And on the corporate level you have the responsibility for determining whether on the company level the program is being carried out effectively?

MR. WINDSOR. Yes, sir.

MR. GLICKSTEIN. Is that correct?

MR. WINDSOR. To administer, guide, and direct.

MR. GLICKSTEIN. I asked that question because, frankly, I am somewhat puzzled by your lack of familiarity with some of the points that I have been asking. I find it —

MR. WINDSOR. Mr. Glickstein, I have been subjected to 4 days of this in Federal courtroom in the last 4 days and I just left there this afternoon, and I am not a computer. I have agreed to give you anything you have asked for. I have given you everything you have asked for. I do not feel that under oath I should come here tonight and testify on things that I am not familiar with intimately, at this time. I am trying to cooperate with your Commission to the best of my ability.

MR. GLICKSTEIN. I just expressed some surprise that you weren't more familiar with some of these details. Are you familiar with —

MR. WINDSOR. I wish you would have asked me for these things when you were in my office. I would have supplied them to you.

MR. GLICKSTEIN. Are you familiar with the company's affirmative action program?

MR. WINDSOR. Which one? The current one?

MR. GLICKSTEIN. Yes.

MR. WINDSOR. I have read it and I have signed it.

MR. GLICKSTEIN. So you are familiar with that?

MR. WINDSOR. Yes, sir.

MR. GLICKSTEIN. You say the current one. What preceded it?

MR. WINDSOR. The current affirmative action program that was just recently submitted and part of that—the program that we were working on consisted of recommendations by the chief of compliance, DCASR Region, and agreed to in writing by the vice president of personnel, Mr. Robert C. Krown. This was approximately August 1968.

MR. GLICKSTEIN. Was it a specific document dated affirmative action program as the current one?

MR. WINDSOR. I think I just stated that these were two letters.

MR. GLICKSTEIN. They were two letters. The earlier one was two letters.

MR. WINDSOR. In 1968.

MR. GLICKSTEIN. And today you have a document, Mr. Chairman, I would like to introduce into the record.

VICE CHAIRMAN HORN. Without objection, so ordered.

(Whereupon, the document referred to was marked Exhibit No. 17 and received in evidence.)

MR. GLICKSTEIN. Dated 12 December 1969. That is entitled Affirmative Action Program. And this is your current affirmative action program?

MR. WINDSOR. Right.

MR. GLICKSTEIN. And, as you said, you have signed this?

MR. WINDSOR. Yes, sir.

MR. GLICKSTEIN. Has the company been—I believe you indicated that the company has been a member of the Plans for Progress. Is that correct?

MR. WINDSOR. Yes, sir.

MR. GLICKSTEIN. And —

MR. WINDSOR. We are in the second group of 30, I believe.

MR. GLICKSTEIN. Are you familiar with the suggestions for affirmative action programs that the Plans for Progress suggested to their members?

MR. WINDSOR. I've read that document, I am sure.

MR. GLICKSTEIN. Are you familiar, Mr. Windsor, with the Gov-

ernment regulations that prescribe what affirmative action programs are supposed to contain?

MR. WINDSOR. Saying I am familiar is one thing and saying I have read them is another. I have read them, yes. I cannot say that I am intimately familiar with every section.

MR. GLICKSTEIN. Well, I read a portion of those rules before and let me just read it again. The regulations provide that an affirmative action program shall contain an analysis of minority group utilization to include the following: An analysis of minority group representation in all job categories; an analysis of hiring practices for the past year, including recruitment sources and testing to determine whether equal employment opportunity is being afforded in all job categories; an analysis of upgrading, transfer, and promotion for the past year to determine whether equal employment is being afforded.

Where in your plan is this done?

MR. WINDSOR. You have asked me quite a few questions there all in one. Could we take them one at a time?

MR. GLICKSTEIN. Yes, sir.

VICE CHAIRMAN HORN. Why don't you restate the first question and let's get the answer to that?

MR. GLICKSTEIN. The first question is: Where do you analyze minority group representation in all job categories?

MR. WINDSOR. Analyze —

MR. GLICKSTEIN. It requires that your affirmative action program contain an analysis of minority group representation in all job categories.

VICE CHAIRMAN HORN. Excuse me, for a clarification on my part. Is that required that in a formal statement of that program this analysis takes place, or is it merely prior to issuance of this program that such an analysis be done?

MR. GLICKSTEIN. It must be contained in the program.

VICE CHAIRMAN HORN. In writing?

MR. GLICKSTEIN. Yes.

MR. WINDSOR. I think probably the answer to your question is that these things are being done constantly but I don't know that it is a matter of reporting. I don't know that it is required. I would have to see the document that you are reading from and study it before I can intelligently answer your question.

VICE CHAIRMAN HORN. Could I ask Mr. Glickstein at this point who is that affirmative action program submitted to?

MR. GLICKSTEIN. This is supposed to be submitted to the contracting agency. In this case it would be submitted to the Department of Defense.

VICE CHAIRMAN HORN. And presumably if it did not fulfill the

standards set down there it would be returned for compliance with those standards?

MR. GLICKSTEIN. It should be.

MR. WINDSOR. We have just submitted this report very recently, as you are well aware, Mr. Glickstein, and I haven't even gotten an official acknowledgment of —

MR. GLICKSTEIN. The Government regulations I am reading from are dated effective July 1, 1968. The regulations also provide that the contractor's program shall provide in detail the specific steps to guarantee equal employment opportunity keyed to the problems and needs of members of minority groups including when there are deficiencies, the development of specific goals and timetables for the prompt achievement of full and equal employment opportunity.

Is that in your affirmative action program?

MR. ROUDEBUSH. I have advised Mr. Windsor on the handling of this in the past and it is that my understanding of those regulations is that those things must be done but they don't have to be stated in the affirmative action report. And the fact that we have done them has been proved up to the last program that has been given, that has been approved for us.

This program, which has just been submitted, hasn't been approved or gone over. But our previous one was approved and I take it that that is approval that we did the work that was required in the regulations that Mr. Glickstein read.

VICE CHAIRMAN HORN. Would you know offhand if a compliance survey was done? Did you ever ask to see those documents even though they weren't in your written statement?

MR. WINDSOR. Yes, as I previously testified, Mr. Chairman, in August of 1968 the local compliance review group came out and spent 4 or 5 weeks with a team of about four or five people and, believe me, they went over every record we had in the personnel division in every function. And they made probably one of the most comprehensive reviews I have ever seen made and they had some very good recommendations.

VICE CHAIRMAN HORN. You are stating that such data in response to Mr. Glickstein's questions as he reads the Federal regulations that such data are available?

MR. WINDSOR. Yes, sir.

VICE CHAIRMAN HORN. Your argument would be that you submitted it and compliance officers have looked at it but it is not part of the final document?

MR. WINDSOR. It is not part of this report.

VICE CHAIRMAN HORN. Well, we might well ask the Department of Defense what they've done.

MR. WINDSOR. This is the guideline of what we intend to do next year.

MR. GLICKSTEIN. Let me ask you, without asking you whether these specific provisions are included in a particular document, we were talking before about how one becomes a foreman and general foreman and assistant foreman. Now, these regulations do provide that in fashioning an equal employment program it has to be keyed to the problems and needs of members of minority groups, including when there are deficiencies, the development of specific goals and timetables for the prompt achievement of full and equal employment opportunity.

Would you tell us how your program for promoting foremen, or developing foremen is keyed to the problems and needs of members of minority groups?

MR. WINDSOR. Well, that's a very broad question and I will attempt to answer to the best of my ability.

First of all, we have a matter of economics here. We have to have the work, we have to have the need for the jobs. Specifically in the supervisory area we have some people that are in the first level who will, if we continue to have production work and the need for the people, will be qualified for promotion to the next step.

So I would say that it is a factor of two things. It's going to be a factor of time in advancing up the supervisory ladder and it is going to be a factor of continuing need for increased supervision and not a decline as we have had in the last year or so.

MR. GLICKSTEIN. I don't think that answers my question. I understand all of that but, nevertheless, the regulations do provide that you have to have special programs keyed to the special problems and needs of members of minority groups. And that is—that would be separate and apart from all of these other problems. Affirmative action doesn't mean that you just proceed as you proceeded for many years in promoting and upgrading people. It means a special affirmative effort to deal with this problem. And I am asking you in terms of promoting people to the assistant foreman, foreman, and general foreman rank, what specific steps have you taken to meet the particular needs of members of minority groups?

Let me be even more specific. The regulations also provide that you should develop specific goals and timetables. Have you developed any specific goals and timetables for bringing more members of minority groups into the assistant foreman, foreman, and general foreman ranks?

MR. WINDSOR. Mr. Glickstein, are you still reading from a 1968 Federal Register?

MR. GLICKSTEIN. I am reading from the regulations that require that you develop specific goals and timetables and I am asking you whether the company has developed specific goals and timetables.

MR. WINDSOR. We are working on those right now, Mr. Glickstein, because we are trying to find out how many people we're going to

need on the new effort, how many people can be retained, what the jobs are, whether we are going to have to lay anybody off in the interim period while we are getting ready to try to go into production on the F-15, possibly cutting hardware maybe a year hence.

MR. GLICKSTEIN. And to the best of your knowledge—maybe this is an obvious question—you weren't required to have that program developed before you got the F-15 contract?

MR. WINDSOR. Mr. Glickstein, during the last year we have had a continuing decline in employment. That's been going on for the last year and a half, 2 years. It has been impossible for us to promote people when we are cutting people back.

MR. GLICKSTEIN. I am not asking about the last 2 years.

MR. WINDSOR. And it is also impossible for us to present a program of promotion when we are laying people off and cutting people back.

MR. GLICKSTEIN. I assume that during the course of receiving this \$8 billion from the Federal Government you will be hiring new people and putting new people on. Now, did the Federal Government ask you before you received the F-15 contract to project the number of employees that you are going to take on over the term of the contract, to execute the contract, to indicate how many of those employees were going to be black and white and to indicate specifically in what job categories those employees were going to fall. Were you asked to do that?

MR. WINDSOR. Mr. Glickstein, I was not asked to do that and you asked what was submitted to the Government on the F-15 contract. I believe in one of the clippings you had there recently there was something similar that there was something like seven truckloads of documents submitted on the F-15 proposal. I have no way of knowing what was in those truckloads of documents on the manpower situation.

VICE CHAIRMAN HORN. Would that clear through your office?

MR. WINDSOR. No, sir.

VICE CHAIRMAN HORN. Whose office would that clear through?

MR. WINDSOR. Well, I think the newspaper clipping also indicated that there were hundreds and hundreds of people who worked on this proposal.

VICE CHAIRMAN HORN. No, I am talking about the manpower section only. Wouldn't that clear through the vice president of personnel and the director of personnel?

MR. WINDSOR. No.

VICE CHAIRMAN HORN. Who would develop that?

MR. WINDSOR. Long range planning, they are talking total man hours required, total number of people.

MR. GLICKSTEIN. But if the documents involved the equal employment program and what was going to be done to upgrade and hire more black employees would that clear through your office?

MR. ROUDEBUSH. May I answer that? It is an organizational matter that the bidding on the F-15 came through our component which we call McDonnell Aircraft Company, not through the corporate office which we call McDonnell Douglas Corporation. Of course the corporate office is—the top company is liable on the contract but all the work on the bidding was done by McDonnell Aircraft Company. Mr. Windsor, as far as I know, does not have employment responsibility for that group.

MR. GLICKSTEIN. If this package of seven truckloads did include a specific equal employment program for the St. Louis facility would Mr. Windsor have known about that?

MR. ROUDEBUSH. I just can't answer that.

MR. WINDSOR. No.

MR. GLICKSTEIN. You might not have known about it?

MR. WINDSOR. I don't know about that.

VICE CHAIRMAN HORN. Mr. Glickstein, let me ask you, under the rules of Government contracting procedure should they have furnished a plan with that contract or do they merely have to file on another basis, say once a year, an affirmative action plan?

MR. GLICKSTEIN. Under the rules of the Government contract program there's a preaward review and before the contract is awarded it must comply with the rules and regulations.

VICE CHAIRMAN HORN. If they had a plan in being then that would be sufficient or would they need a separate plan with the contract? I am still not clear.

MR. GLICKSTEIN. They would need a special plan with the contract.

MR. ROUDEBUSH. Mr. Chairman, I believe Mr. Glickstein is under a misapprehension and I better be careful how far I go because I myself don't get much into it, but I will say what my impression is and it is that the current operating plan is reviewed and we are not required to give a special isolated plan for this new contract. Now, that's my impression.

VICE CHAIRMAN HORN. In other words, as long as you are in conformity you are eligible to submit a bid?

MR. ROUDEBUSH. That's it.

MR. WINDSOR. May I add one further point?

I believe the news release by Mr. McDonnell personally indicated that he, by the awarding of this F-15 contract, he was hopeful that we would be able to sustain employment of our present work force without any additional layoffs.

COMMISSIONER FREEMAN. May I ask a question?

VICE CHAIRMAN HORN. Yes, Mrs. Freeman.

COMMISSIONER FREEMAN. You said the current operating plan is reviewed. Does that mean the current personnel flow, the persons who are already employed by McDonnell? Is that what you mean? Because I'm troubled by what was current. Officials and managers,

less than 1 percent black. If the Department of Defense reviewed it as it was in December and that was acceptable to them, professionals less than 1 percent; sales workers, no black; office and clerical about 6 percent; technicians, 2½ percent; craftsmen, about 10 percent; operative semi-skilled, about 4 percent; laborers, 60 percent; service workers, about 36 percent.

My arithmetic may be a little bit off. But are you saying that this pattern was what was reviewed by the Department of Defense and found to be acceptable?

MR. WINDSOR. I think it would be most inappropriate for us to presuppose on the prerogative of a Federal agency of the United States Government on what they did or did not do. I do not know, Mrs. Freeman, what their responsibilities are or what their charter is.

COMMISSIONER FREEMAN. Mr. Roudebush, would you know who in McDonnell-Douglas would have the answer to that question?

MR. ROUDEBUSH. I suppose it would be one of the officers of McDonnell Aircraft Company and I would be very glad to try to supply it. I don't know, but I will certainly try and I'll report to the Commission whatever I find out.

(The information referred to appears in Exhibit No. 42.)

VICE CHAIRMAN HORN. I would assume that the Commission will also ask the Department of Defense just what process was gone through on this and who is responsible for —

MR. GLICKSTEIN. I was just going to suggest that we are now involved in a legal argument.

VICE CHAIRMAN HORN. Well, I would suggest that the staff go into that.

MR. GLICKSTEIN. Getting back, Mr. Windsor, to your supervisors, have you received—have there been complaints that supervisors have unfairly treated the black or other minority group employees? Do you know?

MR. WINDSOR. Yes, I sat in several meetings with our employee who appeared here tonight, Mr. Ali, and some other black employees who have made such allegations. We have also asked the black business representatives of the union representing these people to be in attendance. We have heard some of the allegations that have been made. We have explained some of them to the best of our ability. Some of them are vague and were unidentifiable. There have been other allegations made that I believe even the business representatives of the IAM has attempted to explain was not factual as presented by this group and has tried to explain to them the real facts in the case.

VICE CHAIRMAN HORN. When you say IAM, who do you mean by that?

MR. WINDSOR. International Association of Machinists, that is the bargaining representative for our production employees.



MR. GLICKSTEIN. Have you ever found any justification in charges that a supervisor had discriminated against a black employee?

MR. WINDSOR. No, sir.

MR. GLICKSTEIN. You never found that to be the case?

MR. WINDSOR. What charges? Charges made by an individual, official charges made, filing a complaint, or what do you mean by charges?

MR. GLICKSTEIN. Have you ever found because of any kind of complaint that was filed that one of your supervisors had discriminated against a black employee, treated a black employee unfairly?

MR. WINDSOR. No, sir.

VICE CHAIRMAN HORN. I take it there is a process for handling such complaints and it is somewhat formalized within the company?

MR. WINDSOR. Yes, sir.

VICE CHAIRMAN HORN. Then in other words, written records are kept?

MR. WINDSOR. Mr. Horn, these items, and I am speaking specifically of a meeting of Mr. Ali and his group, were held at that time with the highest level and the personnel function within the organization which was in the office of Mr. Krone, who is the vice president of personnel, myself, Mr. Nate Malonaro, who is currently the director of personnel for the McDonnell Aircraft Company.

VICE CHAIRMAN HORN. I think to get the answer clarified here, I take it some complaints over the last few years have been filed but upon investigation by the company you are claiming that these allegations were not supported. Is that correct?

MR. WINDSOR. Yes, sir.

VICE CHAIRMAN HORN. Do you have an idea how many complaints have been filed, let's say, in the last 2 years?

MR. WINDSOR. Against a supervisor?

VICE CHAIRMAN HORN. Because of racial discrimination, let's say, or religious or ethnic discrimination.

MR. WINDSOR. If I understand your question correctly, I believe since the complaint procedure started sometime in the latter part of '50's or early '60's, going back to the original President's Committee, that a combination of complaints, some of which were duplicated through many agencies, through the State, through the Office of Federal Contracts Compliance, the present Equal Employment Opportunity Commission, or one of the predecessor organizations, the President's Committee, my guess is it would probably be between 40 and 50, total, over all of those years.

VICE CHAIRMAN HORN. To all of these different grievance procedures outside the company and inside the company?

MR. WINDSOR. Outside the company. Official Government complaints.

VICE CHAIRMAN HORN. Actually, I am interested in the process within the company for alleviating such grievances. There are charges or complaints also filed. Is there a process within the company?

MR. WINDSOR. Yes, sir, the normal grievance procedure is available under the union contract through the shop steward in the department.

VICE CHAIRMAN HORN. In addition to the 50 external complaints how many would you say in the last few years have been filed within the company?

MR. WINDSOR. On racial problems —

VICE CHAIRMAN HORN. On racial discrimination.

MR. WINDSOR. I have no idea.

VICE CHAIRMAN HORN. Is it possible that any records were kept that could be furnished for the record?

MR. WINDSOR. I think probably so.

(The information referred to appears in Exhibit No. 42.)

VICE CHAIRMAN HORN. With what happened as a result?

MR. WINDSOR. I think it would be a very, very small percentage that has gone through the grievance procedure.

VICE CHAIRMAN HORN. I think what we would like is just how many complaints and perhaps what percentage of total complaints through the grievance procedure, how many complaints were based on racial discrimination, what was the disposition of these complaints.

MR. ROUDEBUSH. Yes, sir, we will look.

VICE CHAIRMAN HORN. Fine.

MR. GLICKSTEIN. Mr. Chairman, I would like to ask Mr. Dueringer a few questions.

Mr. Dueringer, would you tell us what your occupation is, please?

MR. DUERINGER. I am Housing Coordinator, McDonnell Aircraft.

MR. GLICKSTEIN. What are the responsibilities of that position?

MR. DUERINGER. To secure housing for new employees coming into the plant. Also try to help others who need help that are established in the plant.

MR. GLICKSTEIN. And would you state briefly just what that entails when you say to secure housing? Do you have lists of available housing that you furnish people?

MR. DUERINGER. We have people calling in from all over the city, the area, listing houses, rental houses, listing rooms, listing furnished apartments, the residential type, or the big house that's been made over for an apartment.

Occasionally we get a trailer listed for rent. We compile these listings on a mimeographed list with the exception of one or two-bedroom houses or three or four, which we discontinued to list about

the middle of 1969 because of the housing shortage, rental housing shortage in the area.

We tried to protect the new people coming in, so to speak, to get a roof over their heads, which is our main job.

MR. GLICKSTEIN. And you deal with rental housing and not sales housing, is that correct?

MR. DUERINGER. I would like to get into that. Sales, we do take sales. We ask people if they call in if they want to write us a letter and describe the property in detail, they can send it in. However, that's a minority function, really.

MR. GLICKSTEIN. You have that on file in case somebody is interested in buying a house?

MR. DUERINGER. If somebody wants to look at it, they can look at it. We don't try to compete with the Realtors or anything like that. It's there if they want to look at it.

MR. GLICKSTEIN. Do you know, Mr. Dueringer, where the majority of your white employees live? They live primarily in the county or in the city?

MR. DUERINGER. I made a survey a couple of years ago on that and the majority of them lived in St. Charles County ahead of Florissant. Florissant ran second.

MR. GLICKSTEIN. And what about your black employees?

MR. DUERINGER. I didn't make any distinguishing between black or white on this.

MR. GLICKSTEIN. What's your feeling? Do you have any feeling about where your black employees live?

MR. DUERINGER. Yes, some live in the Kinloch area. There's quite a few have bought in the Frostwood area near Ferguson and the remaining, I would say, pretty much down in the city.

MR. GLICKSTEIN. How do the employees living in the city get to work?

MR. DUERINGER. That I don't really know. I don't get into that, how they get there.

MR. GLICKSTEIN. Well, they commute, I guess.

MR. DUERINGER. Yes, they commute. I suppose most of them drive cars or ride with somebody.

MR. GLICKSTEIN. Now, in taking housing listings from private persons in real estate companies, has your office mentioned to them that they must comply with the civil rights laws?

MR. DUERINGER. We mention that to them on every call that comes in on that.

MR. GLICKSTEIN. Have you ever made an effort to actually go out and somehow test the person or company to see if they in fact were complying with the civil rights laws?

MR. DUERINGER. No.

MR. GLICKSTEIN. Just accepted their assurance?

Mr. DUERINGER. That's right.

Mr. GLICKSTEIN. Have you ever received complaints from black employees stating that some of the companies or some of the rentals or sales on your lists were not available to black employees?

Mr. DUERINGER. I have run into that the same as the whites. During our heavy employment a couple of years ago we were pouring through there probably 50 or 60 people a day, and one list may contain 20 listings and probably it was 30 or 40 people trying to get a house off that 20. But we always tell everybody leaving the employment office, if you have trouble come back and see us and we will try to help you further. That's standard.

Mr. GLICKSTEIN. Well, I can understand why somebody might get to a place and the house is already rented, the apartment is already rented or sold, but have black employees ever told you that: "We went to a particular place to rent an apartment and they don't rent to blacks?"

Mr. DUERINGER. I think I had one tell me one time. He didn't point the apartment out but it was just mentioned in a conversation, but he found what he was looking for next door.

Mr. GLICKSTEIN. What would you do if you found out that somebody who listed a house or apartment with you for rent had turned away a black employee?

Mr. DUERINGER. I would take him off our list. I would no longer carry him.

Mr. GLICKSTEIN. Mr. Dueringer, do you feel that McDonnell, as one of the leading Government contractors in the United States, has a positive duty to do more in the area of housing than just providing listings to its prospective employees?

Mr. DUERINGER. Well, that's hard to say. It would take more manpower if we are going to go further than that. You have got that many people coming, say, 20, 30, 40 people through your office in a day's time; you're busy. Our department consists of one girl and myself to handle it.

Mr. GLICKSTEIN. How about—maybe I can pose that question to Mr. Windsor—do you feel that the McDonnell Company has a responsibility to do more in the way of providing housing for its employees to do such things as sponsoring low- and moderate-income housing in the neighborhood of the plant?

Mr. WINDSOR. Well, Mr. Glickstein, I don't know that I can speak for the entire corporation on what its long range objectives and policies should be—policies established by the chairman and officers—but I can say this, we have our hands pretty full trying to run our plant and build airplanes. This is pretty highly competitive business. And as we've all been reading in the papers lately, the Government is quite interested in how efficiently and how cheaply we can build their products.

MR. GLICKSTEIN. If one of your presidents of your company has said to you, as the corporate director of personnel services, do you think that we could increase our minority employment and if we provided or made efforts to sponsor low- and moderate-income housing near the plant, would you recommend that we went into such a program? What would your recommendation be?

MR. WINDSOR. Are you referring to our financing?

MR. GLICKSTEIN. Sponsoring.

MR. WINDSOR. What do you mean by sponsoring?

MR. GLICKSTEIN. Well, there are various programs where nonprofit corporations are set up and the financing is guaranteed by the company. There would be some outlay of money involved.

MR. WINDSOR. Mr. Glickstein, at the present time we have a tremendous exposure on the DC-10 program which I believe Counsel explained to you in our office, that the last figure I heard was somewhere between \$600 million, and somewhere around \$1 billion before the DC program will offer any return on investment. I can only say that that type of exposure that the corporation is currently faced with, I feel reasonably sure that we could not at this time engage in any type of outside activity other than that which we are currently committed to.

Now, if you are asking me as a personnel man if I would be interested in seeing this accomplished, I can only say that anything that will help us to get good people on the payroll and to make employment easier is certainly making our job easier.

Employment in the aerospace industry is the most difficult and trying thing when skills are needed and they are not available. And I would also like to point out to the Commission that we are the only one of a kind in the St. Louis area. On the West Coast there are many aerospace companies and they can draw from labor pools and people can pass from one to the other. We do not have that here. We have to train our own. Once we get them and once we get them on the payroll, contrary to many of the things that many people say, this individual represents to us an investment which is very similar to the inventory, to the raw stock inventory that we have in the warehouse.

We have invested extremely large sums of money in training and getting that individual on the payroll. It is a very worthwhile commodity and it has a value. We want to retain it, we want to keep it and any program which will help make working conditions for our employees better, be they black or white, you bet I am for it.

MR. GLICKSTEIN. I have no further questions.

COMMISSIONER FREEMAN. Mr. Windsor, pursuing the point of your interest, we have heard your testimony concerning this multi-billion dollar program. This Commission has a concern about Federal policy. Now, one of the things that is disturbing to me is that there could

be the employment of some 30,000 or 40,000 people in an area and yet a significant number of the population, because they are black, would not be either employed or housed.

Now, suppose this Commission would recommend to the President and the Congress that in the awarding of the Government contracts that the availability of housing in the area be guaranteed as well as the equal opportunity be guaranteed before the contract would be awarded and that that would be written into a law, would that be consistent with what you have just said?

MR. WINDSOR. Mrs. Freeman, I don't really feel that I would be qualified in this area of what should be written into Federal law relative to housing. The closer to the plant that our people live, of course, the less traffic congestion, the less cost of getting to the plant. The retention rate would probably be higher. People would be less inclined to terminate and maybe take a job closer to home.

I don't really believe I can honestly answer the question. I think it would take an awful lot of time and study to come up with a real valid answer. It's a very complicated question.

COMMISSIONER FREEMAN. It seems to me there is some conflict here that we can gear up and get a man on the moon when we get all of our resources together, and there doesn't seem to be the same commitment in this area.

You talked about advancing up the ladder, gradually over 20 years, yet we were told—I read somewhere that when it was determined that we were going to get a man on the moon, and I think McDonnell had a little to do with that, too, that from everywhere there were resources without regard to a lot of factors. It was determined we will do this and so it was done.

MR. WINDSOR. Yes, ma'am.

COMMISSIONER FREEMAN. Now, what I am asking is, now you know that in this area where McDonnell is that the black employees don't have access to housing around McDonnell or in the areas where the others have, that you have listings from real estate brokers, and if they are not—if the housing is not available to black persons that that's a violation of the Federal Fair Housing Practices Law.

MR. WINDSOR. That's correct.

COMMISSIONER FREEMAN. But we've not received any testimony from you, Mr. Dueringer, indicating that there is a similar concern with that as compared with maybe the production of the airplane.

MR. WINDSOR. Mrs. Freeman, may I speak to that last question or statement?

I don't believe Mr. Glickstein asked Mr. Dueringer that question although it has been discussed in our office, and I would like to make this statement, that we feel in many areas in St. Louis County we have been leaders in trying to promote equal rights for our employees specifically in the area of recreation, in the bowling alleys. People

seem to think these things are funny but when they come into the office in the plant they are very concerned about them.

We have gone out to bowling alleys and told them we will not permit—people keep asking this question, why is not the might and resources of the entire McDonnell Aircraft Corporation put upon these merchants to make them comply with the law and treat people fairly. We do this. We will not permit any of our employees to play in any participating company-sponsored golf course—golf tournament, or any golf leagues or activity on any course that will not permit all of our employees to play there. We will have nothing to do with them. The same thing is with the bowling alleys. Before many of the bowling alleys in St. Louis County were integrated, we were one of the leaders.

Now, the same thing applies to housing. When an individual calls in and announces that they have a piece of property for rent, we tell them, we want you to understand that we are an equal opportunity employer and you will be expected to rent to any employee.

Now, if it is brought to our attention, and I know of one specific case where it was brought to our attention, and I happen to know the manager of the apartments. He called me, and I said: "I am sorry, you either take all of our employees or you never get another one." We pulled his apartment off the list and it has never been put back, and that happened 3 or 4 years ago, to the best of my recollection.

I have explained this to Mr. Glickstein and Mr. Jones and some of the others in the office.

Now, we are—we do believe we are trying to do these things, but we also have a job to do and we only have 24 hours a day and we are primarily in our positions to assist in trying to get those airplanes built and out the door. We have a responsibility to our employees, to our stockholders, and also to our customers and sometimes we just don't have as much time as we would like to spend on other community activities. We spend quite a bit, though.

COMMISSIONER FREEMAN. Well, my arithmetic tells me that it is about \$5 billion in public funds involved here.

MR. WINDSOR. I think like in all newspaper stories they are talking in terms of if so many airplanes are bought over a given period of time, so many billion dollars will be spent on the F-15.

COMMISSIONER FREEMAN. I am sorry, you misunderstood me.

On the basis of what your 1968 financial report shows McDonnell made. Is that about \$5 billion?

MR. ROUDEBUSH. No, we had \$3 billion worth of sales. We didn't make that kind of money.

VICE CHAIRMAN HORN. I think another point here would be in terms of the total cost of the firm, you obviously had a lot of subcontractors around the country.

MR. ROUDEBUSH. Yes.

VICE CHAIRMAN HORN. And in terms of the actual dollar volume in your St. Louis facilities that might be worth furnishing for the record just as a typical year, the last fiscal year, say, the proportion that is really applicable to the St. Louis plant in terms of total income generated.

MR. ROUDEBUSH. I would roughly say about half of our work is subcontracted in the St. Louis area.

MR. WINDSOR. Not all in the St. Louis area but on the—like on the F-15 and I believe on the F-4, about 50 percent of the contract was subcontracted to other businesses.

VICE CHAIRMAN HORN. Well, excuse me. To clarify that, are you saying 50 percent of your total annual budget goes into either your plant or subcontracts in the St. Louis area and 50 percent outside?

MR. WINDSOR. Not all in the St. Louis area.

MR. ROUDEBUSH. I better withdraw that, but, Mrs. Freeman, I don't want to quibble with you on amounts of money. Certainly, you are right, very substantial amounts of money are involved, no question about that.

COMMISSIONER FREEMAN. What I am trying to see here is that if this firm receives, even if it's \$1 million if that's all it is, of Federal funds, then how can we assure that the distribution be on a better level than it appears from the pattern you have given us? In terms of the applicants for employment, not just the persons who are employed there and that the persons who are employed there will be given a different kind of mobility in terms of promotion.

MR. WINDSOR. Well, Mrs. Freeman, I, too, don't want to become argumentative but we would be happy at any time to sit down with you as any member of the Commission and show the promotions that have occurred over the years and they may be a little surprising.

Now, this question came up the other day and I asked for a check to be run on that, which I saw very briefly this afternoon before I came over here, but last year in that black employed group, 13 percent of the black employees received promotions last year in our company in the St. Louis area. In the white group, 10 percent received promotions.

COMMISSIONER FREEMAN. Mr. Windsor, this is precisely the reason that we are asking this, because if you had 13 percent we still are talking about 60 percent of the laborers are black.

MR. WINDSOR. Mrs. Freeman, I have also been asked that question and my answer is this, approximately a year ago we were told, and we were asked by the President of the United States at that time, under the NAB Program, get as many black people off the street as you can and get them into jobs where they are being paid.

Now, if it is wrong to hire a black into a laboring job and if it is the intent that we should attempt to try to get an equal balance,



then I suppose some place along the line we are going to get some redirection of our effort. We are trying to put people on the payroll who want to work and if we have more black people who want to work in laboring jobs and get the jobs, God bless them, I'm for them. They are trying to work and they are trying to earn a living. And those rates are pretty good.

COMMISSIONER FREEMAN. Were you asked to submit to us the number of new employees during the past year, Mr. Windsor?

MR. WINDSOR. Not to my knowledge.

VICE CHAIRMAN HORN. Let's do the same as we did with the Chrysler Plant.

COMMISSIONER FREEMAN. And for the promotions.

VICE CHAIRMAN HORN. For the calendar year 1969 if you would submit the number of new employees and the percent or the actual number of those that are black and white and then on a separate chart the number of promotions for the year 1969, black and white. We would appreciate it.

Counsel can make sure there is a consistency in the data.

MR. WINDSOR. How about the layoffs?

VICE CHAIRMAN HORN. Fine, and submit any additional statements that you would like to.

MR. ROUDEBUSH. Yes, sir.

(The information referred to appears in Exhibit No. 42.)

VICE CHAIRMAN HORN. Dr. Mitchell?

COMMISSIONER MITCHELL. Mr. Windsor, or Mr. Roudebush, just so I don't misunderstand what we have been saying, you are familiar with the general nature and you have access to the specifics of those requirements that the Government looks to from a contractor like yourself. Those items that Mr. Glickstein read before?

MR. WINDSOR. Yes, sir.

COMMISSIONER MITCHELL. And it is your opinion that regardless of where the document is in those seven truckloads it's your opinion that the McDonnell Douglas Company upon receipt ultimately of that signed contract and those obligations to comply intends to fully comply with those requirements?

MR. ROUDEBUSH. Absolutely.

COMMISSIONER MITCHELL. Thank you.

VICE CHAIRMAN HORN. Let me just ask, there were statements made earlier in the evening that not only in this company but others there is perhaps what is called a union-management collusion. Let me ask several questions to try and get at this problem.

Does the management of the McDonnell Douglas Corporation or the McDonnell Aircraft Corporation have sole responsibility for making the judgments as to the initial hiring of employees in your plant in all employment categories?

MR. WINDSOR. Yes, sir. Mr. Horn, may I also say in reply to that

statement of management-union collusion, we had a strike at our facility in the early part of 1968 which I believe lasted for 5 weeks and I am sure it cost our employees and our company both millions and millions of dollars. And if that's collusion, somebody was pretty stupid in colluding.

VICE CHAIRMAN HORN. Let me ask you now on promotions, does the management have sole responsibility in terms of promotion? If not, what are the formal and informal processes in terms of union participation in promotions which might affect a management decision?

MR. WINDSOR. I would say the union participation is nil, other than to object.

VICE CHAIRMAN HORN. In other words, you have a collective bargaining contract that specifies certain criteria for promotion. I take it, seniority was mentioned earlier, perhaps ability or skill.

MR. WINDSOR. I believe that is pretty much a standard clause in our contracts, seniority and ability being equal. The more senior man would get the promotion.

VICE CHAIRMAN HORN. And management makes the judgment. If there is an objection there's a union grievance procedure, I assume, that handles the case?

MR. WINDSOR. That is correct.

VICE CHAIRMAN HORN. I think we have discussed the housing situation. It was said earlier that many of your black employees, it was felt, did live in the city of St. Louis area and that the public transportation perhaps took 2 hours to get from where the concentration of black population was that's employed by McDonnell Aircraft?

MR. WINDSOR. I believe the bus schedule is 1 hour.

VICE CHAIRMAN HORN. The bus schedule is 1 hour.

MR. WINDSOR. The TEMPO bus.

VICE CHAIRMAN HORN. What is the TEMPO bus?

MR. WINDSOR. That is a federally subsidized bus program out in the airport area for a number of companies.

VICE CHAIRMAN HORN. In other words, this is run by your company?

MR. WINDSOR. No, sir, it is a Bi-State Transit bus, and the routing was put from, as I recall, from Lamar City out to a number of industrial complexes out around the airport, like Ford Motor and McDonnell and several other companies. And that has been, this bus program has been subsidized by the Federal Government, as I understand it. In order to justify it.

VICE CHAIRMAN HORN. Is that roughly a 1-hour schedule from, say, the furthest point within the city of St. Louis to your plant?

MR. WINDSOR. My recollection is that was about the maximum time of the course.

Could I also for the record bring to the attention of the Chairman and the Commissioners that we have people working for us who are commuting as far away as 50, 70 and 100 miles per day. We have very extensive concentration over in Illinois, and in out-State Missouri. Many of these people commute by bus. Many of them commute by—swap rides.

VICE CHAIRMAN HORN. Let me ask, Mr. Glickstein, were you planning to raise the question on the school tuition incentive and so forth? I think we might get a comparison chart the same as we asked from the Chrysler plant if that would be okay with you. We are interested in, say, the data as to how many employees take advantage for the year 1969, of any school-supported program of tuition benefits, what percent were black and what percent were white.

MR. ROUDEBUSH. Certainly, you can have that.

(The information referred to appears in Exhibit No. 42.)

VICE CHAIRMAN HORN. Are there any further questions, Mr. Glickstein?

MR. GLICKSTEIN. No, sir.

VICE CHAIRMAN HORN. Thank you very much, gentlemen.

MR. ROUDEBUSH. Mr. Chairman?

VICE CHAIRMAN HORN. Mr. Roudebush?

MR. ROUDEBUSH. I have just a couple of little points that I had noted down as we were going along. May our entire annual report go in the record? I think Mr. Glickstein just offered parts of it. I'd like you to see it all.

VICE CHAIRMAN HORN. Certainly. Without objections it is so ordered.

(Exhibit No. 14 was amended to include the entire Annual Report.)

MR. ROUDEBUSH. Trying to give Mrs. Freeman and the entire Commission a meaningful answer of what we are going to do about this problem which is an enormous problem and we face it, and the Commission faces it and the country faces it, and I don't have any solution, I certainly don't. But it just seems to me that it has to be improved training and greater sensitivity to the needs of the minority groups. And we are just as hard at work at that as we can be.

On the question of housing, my own answer to that is that we know how to make jobs, we—to make airplanes which make jobs. We don't know anything about housing. You—I don't think that you could find anybody in our company who would know how to lay out a housing development and our effort to contribute to the problem is to stay in business, get some contracts, and have some jobs. And we are fighting every day of the year to do that. And we think that that is our contribution to the solution of the problem.

It doesn't—there are a hundred other facets of the problem that

we don't approach but we think we know how to make aircraft and how that provides jobs and we are just as hard at work as we possibly can.

I am sorry, that sounded a little bit like a Fourth of July speech and I didn't mean it to, but to tell you the truth that is the way I feel.

VICE CHAIRMAN HORN. Let me ask you, it triggered one response here, the Chrysler Corporation, I think we did ask the question, and I'd like to keep it parallel if possible.

Do you have a bonus incentive system for your executives if, say, production is increased in particular products in your company?

MR. ROUDEBUSH. No, sir.

VICE CHAIRMAN HORN. You don't, because I think several of us are thinking over how business and the community and labor might work together, feel if you want to get the job done and get away from the rhetoric, the plant manager or chief executive has to really make this a part of the bonus and incentive system, and I want to know what your reflection was.

MR. ROUDEBUSH. It certainly seems sensible.

I have one more little thing, and this is going to be unpleasant but I feel that I just absolutely have to say it. This is a serious problem and I don't think that our company should have been in this hearing, the butt of unjustified and wrongful statements, and I think that the statements that Mr. McDonnell had some political connection in Washington that gave rise to the F-15 contract was shocking, and I would like to ask the Commission to expunge that from the record.

I don't believe that kind of thing should have been said here. It is not so. And I think the Commission owes us the protection not to subject us to that kind of completely false statement.

VICE CHAIRMAN HORN. Without objection, it is so ordered that it will be expunged from the record.

MR. ROUDEBUSH. I have two other items that I would like to offer to the Commission. I wonder if the Commission is familiar with an article by Herbert Northrup, the Negro in the Aerospace Industry, which was published by the University of Pennsylvania.

You have it?

VICE CHAIRMAN HORN. Yes, sir.

MR. GLICKSTEIN. It is our copy.

MR. ROUDEBUSH. Mayor Cervantes of St. Louis wrote an article published in the Harvard Business Review, *To Prevent a Chain of Super-Watts*, Watts in Los Angeles, in which the plan of our company, some of it is discussed. May I offer that for the record?

VICE CHAIRMAN HORN. How long is that?

MR. ROUDEBUSH. I am not going to read it. I would like to hand it—I have several copies, I would like to hand it to the Clerk.

VICE CHAIRMAN HORN. Please submit it.

(Whereupon the document referred to was marked Exhibit No. 18 and received in evidence.)

Thank you very much, gentlemen, we appreciate it. We are running an hour and a half late.

MR. GREEN. I think, Mr. Chairman, there is some need of rebuttal time after this big grandstand show here. I mean just one question.

VICE CHAIRMAN HORN. Mr. Green, we'd be delighted to have a letter for the record.

MR. GREEN. Here's the point, though, if he is going to be permitted to have something stricken from the record, then I think that I would like to introduce that whole entire grandstand show to be stricken from the record.

VICE CHAIRMAN HORN. Well, I think—ladies and gentlemen, let's have order. We have rules under which the Commission operates as to defamation and, frankly, I hadn't heard the remark and if that remark was made, the Commission will discuss it in executive session, as we do, and as we are bound to do by the rules which guide this Commission, and we will make a judgment accordingly.

Thank you very much, gentlemen.

Mr. Claude Crowl, who is Chief of the Contract Compliance Office; Rev. Paul Smith, Contractor Relationship Specialist, St. Louis Regional Office, Department of Defense, please take the stand.

(Whereupon, Mr. Claude Crowl and Rev. Paul Smith were sworn by the Vice Chairman and testified as follows:)

**TESTIMONY OF MR. CLAUDE E. CROWL, CHIEF, CONTRACT COMPLIANCE OFFICE, DEFENSE CONTRACT ADMINISTRATION, SERVICES REGION, ACCOMPANIED BY MR. ALLEN GOODLOE, COUNSEL; AND REV. PAUL SMITH, CONTRACT RELATION SPECIALIST, DEFENSE CONTRACT ADMINISTRATION, SERVICES REGION, ST. LOUIS, MISSOURI, ACCOMPANIED BY MR. SAMUEL H. LIBERMAN, COUNSEL**

VICE CHAIRMAN HORN. Please be seated. Mr. Glickstein?

MR. GLICKSTEIN. Would Reverend Smith and Mr. Crowl please each state their full names and addresses for the record?

MR. CROWL. Claude E. Crowl, 2800 Darwin Court, St. Louis.

REVEREND SMITH. Paul Smith, 7156 Princeton, St. Louis.

MR. GLICKSTEIN. Mr. Crowl, what is your occupation?

MR. CROWL. I am Chief of the Contract Compliance Office, Defense Contract Administration, Services Region.

MR. GLICKSTEIN. And how long have you held that position?

MR. CROWL. I have held it from since 1 July 1967.

MR. GLICKSTEIN. Reverend Smith, what is your occupation?

REVEREND SMITH. I am a Contract Relation Specialist for Defense Contract Administration, Services Region, St. Louis.

MR. GLICKSTEIN. Mr. Crowl, I'd like to begin with some questions for you and I think I would first like to ask some questions that are

related to the testimony of the previous witnesses that perhaps you could clear up for us.

In the case of the awarding of a contract such as the F-15, is a preaward review required?

MR. CROWL. The Armed Services procurement regulations require a preaward review. In the case of the F-15 to this date we have not received a preaward request.

MR. GLICKSTEIN. Well, in a sense, it's academic since the award has been made; is that correct?

MR. CROWL. It was awarded in December.

MR. GLICKSTEIN. So you couldn't receive a preaward request at this time, it would be a postaward?

MR. CROWL. Yes.

VICE CHAIRMAN HORN. I'm sorry, do I understand that in order to get a contract the contractor is required to have a preaward review?

MR. CROWL. On a fixed price contract of a million dollars or more they are required to have a preaward review. On a negotiated contract, the buying command can request a compliance check or they can request a compliance review, as we identified it earlier as a postaward review.

VICE CHAIRMAN HORN. And what type of contract was this one?

MR. CROWL. This was a negotiated contract.

VICE CHAIRMAN HORN. So they are not out of conformity?

MR. CROWL. No, sir.

VICE CHAIRMAN HORN. I would like this elaborated so we are crystal clear as to whether the company —

MR. GLICKSTEIN. When you say they are not out of conformity —

VICE CHAIRMAN HORN. In other words, they are in conformity with the rules and regulations?

MR. CROWL. At this time.

VICE CHAIRMAN HORN. Because it is a negotiated contract.

MR. GLICKSTEIN. The company is in conformity.

MR. GOODLOE. They have had a prior review and were approved, therefore, it is not necessary for the procuring activity to come in and ask for more unless they want to.

MR. GLICKSTEIN. But the Defense Department could have asked for an up-to-date review?

MR. GOODLOE. If they had wanted to, yes, sir.

MR. GLICKSTEIN. Mr. Crowl, have you received a copy of McDonnell Douglas' affirmative action program?

MR. CROWL. Yes, I have. We have not approved it. In fact, we really haven't had time to analyze the document. And, of course, they are expecting a response from us and we no doubt will give it to them within 30 days.

MR. GLICKSTEIN. Could you explain to us, please, why it was not

until the 12th of December, 1969 that a written affirmative action program was submitted by the McDonnell Douglas Company?

MR. CROWL. McDonnell Douglas did have a written affirmative action plan. However, we have requested that they update that plan, and this is their update of the original plan.

MR. GLICKSTEIN. I believe Mr. Windsor indicated that their previous plan consisted of an exchange of letters. Is that correct?

MR. CROWL. Well, it's a little more than that. It was quite a thick document. Of course, we did not retain the document in our files because of it being so voluminous. I would say that it consists of perhaps 1,000 or more pages.

MR. GLICKSTEIN. But at the time that you conducted the last review of the company and approved them you were satisfied that their affirmative action program was in conformity with the rules and regulations of the Office of Contract Compliance?

MR. CROWL. Yes, sir.

VICE CHAIRMAN HORN. Where is the document, might I ask? Is it back with the company or has it been passed on to a higher echelon?

MR. CROWL. No, sir, it is with the company.

VICE CHAIRMAN HORN. With the company?

MR. CROWL. Yes, sir.

MR. GLICKSTEIN. Mr. Crowl, are you familiar with the order issued on November 20, 1969 to the heads of all agencies by John L. Wilkes, the Director of the Office of Contract Compliance, the subject of which is Affirmative Action Plans?

MR. CROWL. What does it consist of, sir?

MR. GLICKSTEIN. It consists of 18 pages that describe in some detail of what an affirmative action plan should contain and various components of an affirmative action plan.

MR. CROWL. I don't have that document.

MR. GLICKSTEIN. You don't have that document? It hasn't been furnished to you by the head of your agency?

MR. CROWL. No, sir.

MR. GLICKSTEIN. Mr. Crowl, what are your responsibilities with respect to the enforcement of Executive Order 11246?

MR. CROWL. Our responsibility is to review the contractor's posture, the equal employment opportunity posture, as it exists at a given point in time. In other words, if we reviewed the McDonnell Douglas Corporation in '68 it was reviewed on the basis of their position at that time. Certain recommendations would be made and of course they would have to be responsive to those recommendations. And we would follow through to see that those recommendations were adhered to.

MR. GLICKSTEIN. What are your responsibilities with respect to unions?

MR. CROWL. We do not have any responsibility in connection with unions.

MR. GLICKSTEIN. What if a company were to come to you and say: "Gee whiz, we would like to have an equal opportunity program but, you know, we have this union and it is just not possible." What would you say?

MR. CROWL. In that particular case we would ask them the specific problems they were having. We would identify the problems to determine whether the contractor was fabricating a story or whether actually the problem exists. If there was a problem of course we would refer it to the—to our higher headquarters for resolution and of course this would go on to the Justice Department.

I guess in answer to your question, we would become involved to that extent.

MR. GLICKSTEIN. Well, is it an acceptable excuse from a contractor that he is not able to provide you with a satisfactory equal employment program because of the opposition of his union?

MR. CROWL. We have never experienced that particular situation.

MR. GLICKSTEIN. Well, under the rules and regulations and policy governing the contract compliance program, is that an acceptable excuse from a Government contractor?

MR. CROWL. No, sir.

MR. GLICKSTEIN. Is it fair to say that a Government contractor has the responsibility to insure equal employment opportunity under his contract, has the responsibility to comply with the provisions of Executive Order 11246, regardless of what?

MR. CROWL. Yes.

MR. GLICKSTEIN. How many States are included in your region?

MR. CROWL. Nine and a half States.

MR. GLICKSTEIN. Nine and a half?

MR. CROWL. Yes, sir.

MR. GLICKSTEIN. Can you give us a rough idea of how many compliance reviews you conducted in fiscal '68 and fiscal '69?

MR. CROWL. 900.

MR. GLICKSTEIN. And how many employees are involved in these 900 reviews?

MR. CROWL. We have a total of nine professionals and three clerical.

MR. GLICKSTEIN. And—

VICE CHAIRMAN HORN. Excuse me. Could I ask just for clarification, you said 900 compliance reviews were conducted. Were those all Government contractors in those nine and a half States?

MR. CROWL. Yes, sir.

VICE CHAIRMAN HORN. In other words, you did cover everybody?

MR. CROWL. No, we didn't. We have 4,500 contractors in nine and a half States.



VICE CHAIRMAN HORN. Well, I meant did you cover the ground there?

MR. CROWL. Yes, sir.

VICE CHAIRMAN HORN. You only covered 900 out of the 4,500?

MR. CROWL. Yes, sir.

VICE CHAIRMAN HORN. Okay.

MR. GLICKSTEIN. How many of these reviews did you initiate on your own?

MR. CROWL. I don't have those specific figures, I am sorry.

MR. GLICKSTEIN. Were some of them initiated on your own?

MR. CROWL. Oh, yes. I would say roughly 60 percent.

MR. GLICKSTEIN. And these are initiated according to some schedule that you set up in your office for reviewing the—

MR. CROWL. The basic criteria that we used, we scheduled industrial facilities within the nine and a half State area within the cities that have minority population of 3 percent or more, and the contractor employs 150 or more people.

MR. GLICKSTEIN. And then you just try to get to as many of these 4,500 as you possibly can.

How many compliance specialists would you say that you needed to carry out an adequate review program covering all companies with defense contracts in your region?

MR. CROWL. Under the new assignment list which consists of approximately 3,500 companies, it would take approximately 30 specialists to accomplish the work load within a period of approximately 2 years.

MR. GLICKSTEIN. And you said that you have nine people on your staff, including professionals and secretaries? Is that correct?

MR. CROWL. We have nine professionals.

MR. GLICKSTEIN. Nine professionals, I am sorry.

Have you requested additional staff members?

MR. CROWL. Yes, I have.

VICE CHAIRMAN HORN. To whom is that request made in the hierarchy?

MR. CROWL. It would be—we submitted it to the Defense Contract Administration Services Headquarters at Cameron Station, Virginia.

VICE CHAIRMAN HORN. What kind of an answer were you given to that request, merely that no funds were available, or what? Or were you ever given an answer to that request?

MR. CROWL. We weren't given an answer.

MR. GLICKSTEIN. Reverend Smith, would you tell us what your responsibilities are as a Contract Relations Specialist?

REVEREND SMITH. Yes, I am one of the seven Contract Relations Specialists in our region and our job is to monitor companies as they are assigned on a scheduled basis, to check their employment

policies as it relates to Executive Order 11246 and as amended 11375, which has to do with sex discrimination.

We accomplish this by making onsite reviews and also by doing a certain amount of legwork and consultation with various community groups. Depending upon the nature of the protest, some cities have a great deal of protest and, therefore, it is necessary to talk to a number of employees. Part of the course is talking with employees. Sometimes it is more in some situations, and less than in others.

MR. GLICKSTEIN. You say it is part of the course talking to employees?

REVEREND SMITH. Yes.

MR. GLICKSTEIN. Did you participate in the review of the McDonnell Company in 1968?

REVEREND SMITH. I did.

MR. GLICKSTEIN. And did you participate in the follow up review in 1969?

REVEREND SMITH. Depends on which dates you are making reference to in 1969.

MR. GLICKSTEIN. Well, which review in 1969 did you participate in? Did you participate in any reviews in 1969?

REVEREND SMITH. I participated in 1969 in a follow-up review and also three complaint actions.

MR. GLICKSTEIN. Complaint actions are handled separate and apart from the follow-up review, is that correct?

REVEREND SMITH. Yes. In this particular case. Not necessarily so but in this particular case, yes.

MR. GLICKSTEIN. What particular portions of the '68 review were you responsible for?

REVEREND SMITH. Well, I worked on a number—we worked as a team but I think specifically I had to deal with promotion and transfer, and you'd have to look at the record. I might have had something to do with selection and placement, but I remember specifically promotion and transfer.

MR. GLICKSTEIN. What were the relevant findings and conclusions that you made in those areas briefly summarized?

REVEREND SMITH. I am glad you said briefly summarized. I refer you to the record if you want specifics. It's a matter of record for your purpose.

Briefly, we discovered that there were patterns of discrimination that did exist based on our findings and made recommendations accordingly. We were quite concerned about the procedure for transferring which we were not able to find in writing. That is how an employee is transferred. For example, when an employee goes to work at McDonnell there is no book that says this is how you are transferred to Department X.

We do understand that there is a written policy in a book which I will call for lack of a precise term as standard operating procedures which, of course, is retained in the personnel office. This makes it very difficult, however, for the employee who has to find out through word of mouth that the process for transferring is filling out a form, taking it to the personnel transfer office, and then patiently waiting until such time as that transfer does take effect.

And we found this to be of great concern to the black employees, so much so that they had devised their own transfer form at the company and we took a look at their form and considered that there were some very legitimate requests made in their transfer form as opposed to the one that was presently used by the company. And, therefore, I think we made specific recommendations that the transfer request form be revised; one, to deal more specifically with what the individual was able to do but also to ask what the individual is able to do.

For example, if a gentleman said, I want to be transferred to Department X which deals with riveting, he may only stop there, whereas he may be taking night courses that increases his skill in other areas. The transfer request form as it was presently written did not ask this. And, therefore, an employee wrote only what was on the transfer form. And we felt that it ought to be—we made a recommendation that it be revised.

MR. GLICKSTEIN. Reverend Smith, I assume that you're familiar with the rules and regulations of the Office of Contract Compliance? [REVEREND SMITH. To a certain extent, yes.

MR. GLICKSTEIN. In your review in 1968 and in your follow-up review in 1969 did you request and obtain from the company what those rules and regulations require? Specifically, and again I am repeating a number of things that I repeated earlier this evening, did you request an analysis of minority group representation in all job categories, an analysis of hiring practices for the past year including recruitment sources and testing to determine whether equal employment opportunity is being afforded, and an analysis of upgrading, transfer, and promotion for the past year?

REVEREND SMITH. The nature of a follow-up review is to go over the previous deficiencies and I think during my follow-up review, and it is vague at this point, I reviewed the previous deficiency which at that time to my knowledge had not been corrected. Now, maybe—unless you look specifically at the recommendations that were made in April or the summer of 1968 it may very well say what you have stated there.

MR. CROWL. I would like to answer that question. I believe you stated 1968. We did request that information. In fact, that was in advance of our review. They had to submit it to us prior to our review.

MR. GLICKSTEIN. In addition, the regulations require that the company identify details, specific steps to guarantee equal employment opportunity keyed to the problems and needs of members of minority groups including where there are deficiencies, the development and specific goals and timetables.

Was the McDonnell Company asked to—

MR. CROWL. At that particular time the contracts were old contracts and the new provision was not incorporated in those old contracts. But we did ask them to—in fact on a follow-up, we asked them to do this.

MR. GLICKSTEIN. You did ask them to develop specific goals and timetables?

MR. CROWL. Yes, sir, in our follow-up.

MR. GLICKSTEIN. Did they?

MR. CROWL. Of course, we reviewed that document; no, they did not.

REVEREND SMITH. I would like to say for the record, because I want it to be crystal clear, you have to understand, first of all, that Mr. Crowl is Chief of the Office and, therefore, deals with one level of employee at McDonnell, mainly the hierarchy, and I do not. And I want the record to show crystal clear as a contractor relations specialist, and I think my recommendation was that I was not satisfied with the information that the company had submitted to me. However, I did take a leave of absence immediately after conducting the follow-up review so that which transpired from May through August, you know, I know nothing about. But I want the record to show as a contractor relations specialist they had not met the requirements according to regulation, Title 41 Rules and Regulations Subparagraph C, ancillary matters. And I did make that in writing.

VICE CHAIRMAN HORN. Was that a voluntary leave of absence?

REVEREND SMITH. Pardon?

VICE CHAIRMAN HORN. Was that a voluntary leave of absence?

REVEREND SMITH. All leaves of absence are voluntary. If I'm under any pressure I'll let you know.

VICE CHAIRMAN HORN. Thank you.

MR. GLICKSTEIN. Reverend Smith, are you satisfied that the recommendations you made in the '68 review have been implemented by the company? At the time of your follow-up review did you conclude that the recommendations had been implemented?

REVEREND SMITH. Let me—you see, the recommendations are not made to Paul Smith. Now, if you are asking—

MR. GLICKSTEIN. Are the recommendations that your office made through Mr. Crowl to the McDonnell Company at the time of your follow-up?

REVEREND SMITH. Okay. Am I satisfied that the requirements had been met?

MR. GLICKSTEIN. At the time of your follow-up review, were you satisfied?

REVEREND SMITH. No, I was not.

MR. GLICKSTEIN. What deficiencies did you find remaining?

REVEREND SMITH. Again, I would have to look specifically.

MR. GLICKSTEIN. Generally?

REVEREND SMITH. Generally, the goals, the specific goals had not, you know, been written. I had not seen them. I will not say they had not been in the period that I was away. If they had been submitted during that time I don't know. At the time at which I did the review, the follow-up review, they had not written out specific goals as it related to the affirmative action program.

They had not implemented an acceptable—and that's a debatable question—an acceptable sensitivity training program. That is, acceptable to me as a contractor relations specialist during the review. They had instituted a sensitivity training program.

MR. GLICKSTEIN. I was just going to ask you about that. What is an acceptable sensitivity training program?

REVEREND SMITH. I hardly think that 1 hour based upon all the trouble we've caused these blacks in this country could be solved in 1 hour of "desensitizing" and they have the magic answer. To my knowledge the sensitivity that they had spent with supervisory personnel was 1 hour during a course that was offered to supervisory personnel at the company.

MR. GLICKSTEIN. One-hour course?

REVEREND SMITH. It was 1 hour.

MR. GLICKSTEIN. One hour?

REVEREND SMITH. Yes.

MR. GLICKSTEIN. I take it that it's important for supervisors to receive this training. How would you evaluate the role of a supervisor, of a foreman, an assistant foreman, and a general foreman in this picture of assuring equal employment opportunity? How significant are those people?

REVEREND SMITH. I think if we go back to the testimony of Mr. Windsor that a great deal of their employees come from outer areas of Missouri, after you get out of St. Louis you are like in the hill country, as they say, which means that there are people who are less sensitive to the urban situation, which means that you have a number of people who have difficulty with minorities. Therefore, a number of their employees there are made up of that group of people whom sociologists have termed as people from the hill, Crackers, Rednecks, et cetera. And if you put that combination together with what sociologists have also determined Hardcore, Soul Brothers, et cetera, it provides a very explosive situation.

And, therefore, it seemed expedient to us as an office that since there were few minorities in supervisory positions that it was most

imperative that the supervisors have some kind of understanding of what was in fact taking place in the urban revolution as well as of what was taking place at the company, especially since the majority, or if you take certain departments—I can't call them by name—which are predominantly black where there are white supervisors, in the expression of the folks: "Some of us just ain't going to be all that."

And this is the kind of situation relative to the testimony that you heard to things written on the walls, leaflets, buttons, et cetera.

MR. GLICKSTEIN. I was driving at something somewhat different.

To what extent is the cooperation and the sincere devotion and efforts of supervisors necessary for a company to carry out the equal employment program? For example, if a company like the Chrysler Corporation promulgates a very elaborate and very commendable program on paper to assure equal opportunity, can such a program be thwarted by first line supervisors?

REVEREND SMITH. Definitely so. I think that we found this pattern in many of the companies that we have been in.

Our philosophy is that if the hierarchy of the company means business, that's one thing. But they must also implement it, so if the little honcho down the line does not adhere to what is corporate policy then one has to assume that the corporate policy is nil. And we have found this to be the case in many of the companies.

MR. GLICKSTEIN. Mr. Crowl, have you found in dealing with Government contractors that a company that deals directly with the public, sells products to the man in the street, to you and to me, is more sensitive to equal employment programs and to the demands of your program than a company that deals primarily with the Government, selling things to the Government and doesn't have to worry about the man in the street? Do you have any opinion on that?

MR. CROWL. Mr. Glickstein, I would like to say that all companies are product-oriented, they are not people-oriented.

MR. GLICKSTEIN. Well, for example, some of the companies that have Government contracts not only sell to the United States Government but they have a large public market. The company that we just heard from, the McDonnell Douglas Company, I assume that there are some individuals that buy airplanes from them but not many of us buy airplanes.

Would a company like that be less sensitive to your program, the Government's program, than a company that dealt with the man in the street?

MR. CROWL. This would be my own personal opinion?

MR. GLICKSTEIN. Yes, I am asking your own personal opinion on the basis of your experience.

MR. CROWL. I would think that a company that develops a com-

mercial product and sells that product to any minority group, then, of course, he would be more sensitive to the needs of that group.

REVEREND SMITH. Let me say that I don't think it's a matter of question whether it's a product that people buy or people don't buy. The fact of the matter is my tax dollar and everybody else's tax dollar. And that's where the importance should be upon the fact that it's tax dollars that are going to this particular program, and I care less than a tinker's damn whether it's airplanes or peanut butter. The fact remains that if a company has a commitment and a responsibility it ought to honor it. And I think this is what, you know, upsets minorities in this country is that we take a cursory look at what the law says at this point, and I think the Department of Defense is, you know, is very good at doing this kind of a thing, and I think the record ought to state that if we have rules—that we do have rules, there's a law, Executive Order 11246, 11375. Now, either we honor it or we don't. And if McDonnell last year was Number 3 as a Federal Government contractor, meaning that tax-payers and so forth, that it has a commitment to its people.

MR. GLICKSTEIN. Let me direct a question to both of you gentlemen again.

When—let me go on to another question.

Mr. Crowl,—I guess it's getting late—do you believe that a contractor has a responsibility, and have you at any time raised with contractors the question of housing, the availability of housing for their employees?

MR. CROWL. No, sir, not officially.

MR. GLICKSTEIN. What would be your reaction if you surveyed a company and the company said: "Our great problem is that there just is no housing available in this area for people that are employable at our wage rates," would you say to them: "Well, you people better make some efforts to obtain housing?" Or do you think that's encompassed within the Executive order?

MR. CROWL. No, sir, we cannot do that under the present rules and regulations.

MR. GLICKSTEIN. Have you found in your experience that some companies have difficulty recruiting minority employees because of the absence of readily available housing?

MR. CROWL. Yes, sir.

MR. GLICKSTEIN. You have found that?

MR. CROWL. Yes, sir.

MR. GLICKSTEIN. I remember the question I was going to ask both of you.

I assume that the two of you in your program of contract compliance under the Executive order are not the only Federal bureaucrats that visit the McDonnell Company. I assume that there are people from Quality Control that also visit the McDonnell Company.

Is that correct?

MR. CROWL. Mr. Glickstein, they have a full staff of contract administration people located at McDonnell Douglas Corporation.

MR. GLICKSTEIN. To insure quality control?

MR. CROWL. Yes. The Navy Plant Representative Office.

MR. GLICKSTEIN. Now, let me ask both of you a hypothetical question.

Do you think that the management of the McDonnell Company is likely to be more concerned if the Quality Control people are unhappy or if you are unhappy? Do you think that the management of the McDonnell Company is likely to be more concerned if the Quality Control people have problems with what they are doing, and if the Quality Control people are unhappy than if you are unhappy?

In other words, where do you think the company would place its priority in remedying the concerns of the Quality Control people or remedying the concerns that you have? If it's possible to answer it.

REVEREND SMITH. Since you ask it in a hypothetical way, whatever that means, if you go back to Mr. Windsor's testimony, I think your question is already answered. If you go back to his testimony that our product is planes.

MR. GOODLOE. I offer a—if you care to hear from this side of the house?

VICE CHAIRMAN HORN. Mr. Goodloe?

MR. GOODLOE. I am not sure you want an answer—

MR. GLICKSTEIN. Yes.

MR. GOODLOE. As a practical experience in this area, I think the answer to your question is that a contractor is concerned both about Mr. Crowl's side of the house and about the quality assurance side. And let me give you an example. Here we have a very fine concern in this town, Wagner Electric Company, and we were about to refuse to clear them because they had not complied with the Executive Order 11246, and I never saw a company get so concerned in my life, and they brought their top people down to our office and we sat down there and worked it out. And to me they showed greater concern over that than they did over the quality of the brake shoes or the electric equipment.

But I say, too, you take Quality Control and you say to a manufacturer: "You can't take your item out your back door because it doesn't meet our qualifications" and that contractor is going to be excited and he's going to get his Congressman and Senator and everybody else in there to protect him. So that's a pretty tough question.

VICE CHAIRMAN HORN. Mrs. Freeman?

COMMISSIONER FREEMAN. I would like to take the example, you



said you were about not to clear them. It was my—I didn't get the impression from what Mr. Smith said, he found certain deficiencies and it was never brought out that anybody was about not to clear McDonnell.

MR. GOODLOE. Let me help you, please, ma'am.

I was speaking of Wagner Electric and that they had not fully complied with Executive Order 11246, and when we talked to them they finally did and came up with the very program you were asking for as to how they were going to increase their minority group and by what methods and by what time limits.

COMMISSIONER FREEMAN. That's the point I am making. Suppose then that when Mr. Smith's deficiencies were found that the Department of Defense would say, or you would say: "We are not going to clear McDonnell?"

MR. CROWL. Well, at this particular point in time I think the point that Mr. Smith was making was on the written affirmative action plan which was submitted to us in mid-December. We have not—again I emphasize this point—we have not cleared McDonnell on this point.

COMMISSIONER FREEMAN. Well, this is the point that disturbs us. You have not cleared them but they have a contract.

MR. CROWL. We have not approved that particular plan.

COMMISSIONER FREEMAN. So it really doesn't make any difference to McDonnell whether you clear them or not, they haven't lost a nickel.

MR. GOODLOE. But they were cleared previously, Mrs. Freeman. You see, they had been doing contract work for the Government for some time. And there was a prior review in which they were cleared. The procuring activity only on this particular contract did not come and ask for our reevaluation or reclearing. They can if they want to, but they felt it wasn't necessary because McDonnell had already been cleared on this very program.

COMMISSIONER FREEMAN. But this is precisely what the problem is and that is that over a period of years there has been an imbalance, they have been cleared, so why do they have to tool up, if nobody stops them?

REVEREND SMITH. Well, all I can say is, from a general point of view is that I concur with what you are saying. It is not only true apparently with McDonnell, it seems to be true—and I think this is—this has been the cry of minorities across the length and breadth of this country. Somehow the requirements are not particularly met with, you know, specific companies, or certain companies.

Now, my own feeling is that based upon, and I say this as a resident of St. Louis. I say this also as a pastor in this community that has members that work at McDonnell, and I'm also interested in my members who work there because it means they pay their taxes

and it keeps my church going, but equally important is that this has been the cry that you've heard here tonight. And while some of the things that were said "were not true in terms of specifics," I think the fact that their concerns should have said to the Department of Defense, and not at the St. Louis level, you know, at the Washington level, that something, you know, in this situation ought to be looked into, you know, before "this contract is awarded."

For example, and it should be for the record, there was a complaint investigation going on at the time that the award was made, which was inconclusive at that point. And perhaps that could have, you know, added some weight. However, we were not, as Mr. Crowl said, we were not consulted, the procuring agency went ahead with it which is why I guess today you have had the procuring officer in for a sensitivity training. But this is after the fact.

The thing that disturbs me as a contractor relations specialist is that people say you know, Percy Green is—he's off his rocker. Well, he ain't off his rocker, he really isn't. Or the other people who testified "are off their rocker." I cannot say for the record that I have won a case—and what Mr. Windsor said was true. There has not been in our office any complaint that we have won, that is that we have found probable cause. And the reason we haven't found probable cause is that black employees haven't been in the habit of taking a book around with them, marking every time the supervisor calls them an SOB.

Secondly, because of the problem of transportation which is indeed a problem irrespective of TEMPO—whatever that's supposed to mean—that, by and large, blacks will have a poor attendance record. And many times if the employer calls him an SOB he doesn't wait for the Office of Contract Compliance to solve his problem, he solves it himself with a big smack in the mouth which means that he then is reprimanded. So in that sense we have not been able to find any "probable cause" based upon specifics. But I think you ought to know that as a result of our recent complaint investigation there that we did find things in this particular case. It was sex that validated the general complaints that blacks have been making over the past 2 years.

However, it involved sex and the woman was white. So I am just, you know, saying that what you are saying is true, but this is not always in the "St. Louis DCASR purview". You read your paper every day. There are contracts that are let and we are just as surprised as—when we pick up the newspaper that the contracts are let. And at what level this begins to change, perhaps this Commission, which I am sure has the same kinds of hangups that we have, perhaps this Commission can then begin to focus upon that problem because I assure you it is at the Washington level; it certainly isn't at the St. Louis level.

MR. GLICKSTEIN. You mentioned before that one of the reasons that no preaward review was requested before the F-15 contract was awarded was because the company had been found in compliance. How did Washington know that? Are copies of your reports forwarded to Washington, or do you—

MR. CROWL. There are copies of reports that the Contract Administration Services Headquarters—

MR. GLICKSTEIN. In Washington?

MR. CROWL. That's right. Now, whether they contacted that office, I don't know, because we were not contacted.

MR. GLICKSTEIN. If the people in Washington had wanted to see the review that was done in '68 and wanted to see the follow-up review and wanted to see the file of McDonnell, that was available to them in Washington?

MR. CROWL. Yes, sir.

MR. GLICKSTEIN. And they could have at the time this was going on determined that there wasn't an affirmative action plan in the file; is that correct?

MR. CROWL. Yes, sir.

VICE CHAIRMAN HORN. You mentioned one firm that you were thinking of not ruling in accord with your compliance procedures. I suspect there might have been other firms. Have you ever been subjected to calls from operating agencies of other parts of the Department of Defense when the word got around that you were giving some firm difficulty because of their equal opportunity policy?

How subjected are you to the operating branch of the Defense Department to say: "Well, now, come on, we need those planes, let's get going here and approve this."?

MR. CROWL. No, we do not have—since I have been in this organization that has never happened.

VICE CHAIRMAN HORN. In other words, you have never been called—

MR. CROWL. No, sir.

VICE CHAIRMAN HORN. —by another agency of the Department of Defense on these matters?

MR. CROWL. No, sir.

VICE CHAIRMAN HORN. Now, let me ask you this. Reverend Smith, I'd appreciate your comments first. What do you feel the qualities are that are needed in a contract compliance specialist? What background and education and experience, special training ought a person have to do an effective job in this area?

REVEREND SMITH. I think if you made a perusal of the contract relations specialists across this country you would find that education isn't particularly a requirement. I think one has to have sensitivity to what's going on in the particular region, that is, he has to have the kind of rapport with the kinds of gentlemen who were

testifying here earlier as well as, you know, with the hierarchy, you might say of the various companies. I think he ought to have some allegiance to the agency for which he works but at the same time have a moral commitment to what he, you know, he would find.

There are various temptations, as you well know, but I think the thing that is needed is to do an honest in-depth analysis and where there are deficiencies found, to make them known in as easy fashion or as an acceptable fashion as possible.

I think one thing is, and I think we have tried to do this across the region, is that I think while we don't like to play the color game I think the Department of Defense could use a few more black folks as contractor relation specialists as well as Spanish Americans and Indians, especially if you go to the Southwest. So I think this is important depending upon the group. There are some, for example, black groups that won't talk to white folks and there are some white groups that won't talk to black folks, and one has to have the sensitivity to this. And I think thus far in this office we have been able to do this pretty effectively.

VICE CHAIRMAN HORN. Mr. Crowl, what qualities do you believe are important to have an effective contract compliance specialist?

MR. CROWL. I can't help but agree with Mr. Smith. I would be just reiterating perhaps the same thing he has.

VICE CHAIRMAN HORN. Any further questions from members of the Commission?

COMMISSIONER MITCHELL. I don't have much voice left but I just want to say that I think the testimony I've heard just now is shocking to me. And I can't believe that the Commission can listen to this testimony without proceeding in some way to get involved in the particular contract we've been talking about.

VICE CHAIRMAN HORN. The Commission will recess tonight until 9:30 tomorrow morning. Our schedule tomorrow, for your information, we will run roughly from 9:30 to 12:10 and then from 1 o'clock in the afternoon until 6:25. The subject will be housing.

The meeting is recessed.

(Whereupon, at 12:15 a.m., the meeting was recessed.)

# U.S. COMMISSION ON CIVIL RIGHTS

FRIDAY MORNING SESSION  
JANUARY 16, 1970

VICE CHAIRMAN HORN. The Friday session of the United States Commission on Civil Rights will now come to order. Our presiding officer today, in the absence of Father Hesburgh our Chairman, who will return from a funeral later this evening, is one of our distinguished Commissioners, Mrs. Frankie Muse Freeman, who has been on the Commission since March 1964 and is General Counsel of the St. Louis Housing Authority and also an expert on housing.

COMMISSIONER FREEMAN. Thank you, Dr. Horn.

Mr. Glick, will you call the first witness?

MR. GLICK. Yes, Madam Chairman. The first witnesses this morning are a panel consisting of Mr. Kenneth Mumbower, Mrs. Lorraine Parks, and Mrs. Hedy Epstein. Will you please take the witness stand?

(Whereupon, Mr. Kenneth Mumbower, Mrs. Lorraine Parks, and Mrs. Hedy Epstein were sworn by Commissioner Freeman and testified as follows:)

TESTIMONY OF MR. KENNETH MUMBOWER, FLORISSANT, MISSOURI; MRS. LORRAINE PARKS, UNIVERSITY CITY, MISSOURI; AND MRS. HEDDY EPSTEIN, CREVE COEUR, MISSOURI, ACCOMPANIED BY MR. SAMUEL H. LIBERMAN, COUNSEL

MR. GLICK. Will Counsel please identify himself for the record?

MR. LIBERMAN. My name is Sam Liberman. I'm here as attorney for the Greater St. Louis Committee Freedom of Residence and Mrs. Parks and Mrs. Epstein.

MR. GLICK. Thank you.

Would you please state your name, address and occupation for the record? Mr. Mumbower, will you start?

MR. MUMBOWER. My name is Kenneth Mumbower. My address is 546 North Highway 140, Florissant, Missouri. I am a broker of Prestige Real Estate Company.

MRS. PARKS. I am Lorraine Parks, school teacher. My address is 7826 Birchmont, University City.

MRS. EPSTEIN. I am Hedy Epstein, 127 Lake Homo Drive. That is in the unincorporated area near Creve Coeur. I am the coordinator for the Greater St. Louis Committee for the Freedom of Residence.

MR. GLICK. Mr. Mumbower, when did you establish your real estate firm?

MR. MUMBOWER. October 1, 1969.

MR. GLICK. And had you previously been engaged in the real estate business?

MR. MUMBOWER. Yes, I was branch manager for Len Realty for approximately 3 years.

MR. GLICK. Approximately 3 years?

MR. MUMBOWER. Yes.

MR. GLICK. Had you had any previous real estate experience?

MR. MUMBOWER. No, sir.

MR. GLICK. So you have had a total of about 4 or 3½ years?

MR. MUMBOWER. Say 3 years, to be safe, I would say.

MR. GLICK. Mr. Mumbower, at sometime during 1969 after you established your firm did one of your salesmen show a house listed by the Armbruster Company to a black customer?

MR. MUMBOWER. To what, sir?

MR. GLICK. To a black client or customer?

MR. MUMBOWER. Yes, sir, I believe that to be true.

MR. GLICK. Were objections to this raised by the Armbruster Company?

MR. MUMBOWER. Objections was raised by their branch manager, I would say, of their Hazelwood office.

MR. GLICK. In what way did he express his objections?

MR. MUMBOWER. Well, he first he called me on the telephone—this was a Sunday afternoon about 4:30 in the afternoon—do you want the full report or full story on it?

MR. GLICK. Yes.

MR. MUMBOWER. He called me on the telephone about 4:30 in the afternoon. I was just on my way out to get a listing with another salesman, and he had asked if we had shown such and such a house. And right at the time I couldn't think, but then I happened to think that one of my sales personnel had set up appointments to show several houses that day. And the salesman's name was Bill Offman, and he was showing black clients.

MR. GLICK. Excuse me. Bill Offman is your salesman?

MR. MUMBOWER. Right, a licensed salesman with my firm, and he was showing his clients to different houses in the Florissant and Hazelwood and Creve Coeur area, I would say. And I happened to think at the time that Bill's clients were black clients, and the manager of Armbruster indicated he didn't appreciate the fact too much that we were doing such without his knowledge.

And I told him at that time that to me it didn't make any difference whether somebody was black or white. They had a mind to buy a certain house or to buy a house that they wanted, why, we were going to try to find it for them.

MR. GLICK. And what else did he say to you?

MR. MUMBOWER. Well, he more or less threatened me economically.

MR. GLICK. How do you mean, threatened you economically? With some kind of reprisal?

MR. MUMBOWER. Armbruster's got much more money than I have, just going in business—I was in business one week when that happened.

MR. GLICK. Did the threat take any particular form?

MR. MUMBOWER. I don't know. Real estate's been pretty bad lately. It might have.

MR. GLICK. Well, let me ask you, do you have any idea why Armbruster Company objected to you showing this house to the black client?

MR. MUMBOWER. Well, I found in my real estate activities that there's quite a few companies that is rather selective as to what races they show the certain houses.

MR. GLICK. By that do you mean they are selective in determining who they show houses to in certain areas? Is that what you mean?

MR. MUMBOWER. That would be a true statement.

MR. GLICK. I'm sorry, sir, I couldn't hear you.

MR. MUMBOWER. I say that may be a true statement, right.

MR. GLICK. How did you happen to have this listing, that was listed by the Armbruster Company? How did it come to your firm?

MR. MUMBOWER. Well, one of my salesmen set up an appointment to show the house. I mean we show other real estate people's houses, they show ours, you know.

MR. GLICK. Is it a multiple listing kind of—

MR. MUMBOWER. It's a standard procedure, more or less. You call if you see a house of theirs advertised in the paper or through one of the listing services. Why, you call and set an appointment and show the house. We have never felt that we should discriminate to what color someone is as to where we sell them a particular house or not. We qualify our clients by the money. If they've got the money to buy the house, why we try to sell it to them.

MR. GLICK. As a result of this incident did you file a complaint with the Federal Housing Administration?

MR. MUMBOWER. I sure did.

MR. GLICK. And what resulted from that?

MR. MUMBOWER. Well, I've had several calls from the people, I had visitors from HUD—what does HUD stand for?

MR. GLICK. Housing and Urban Development.

MR. MUMBOWER. At Fort Worth, and I had visitors from Washington, just to get the full story, the complete straight story.

MR. GLICK. The HUD representatives visited you at your office?

MR. MUMBOWER. There was two of them one morning, right.

MR. GLICK. Did they proceed to follow up on the complaint?

MR. MUMBOWER. As far as I know. I never got a report from them.

MR. GLICK. But you've heard nothing further about it?

MR. MUMBOWER. You mean the thing has just been dropped? Is that what you mean?

MR. GLICK. Yes.

MR. MUMBOWER. No, I wouldn't say that it stopped there. I met Mr.—well, I met the branch manager—I won't use names—of Arm-

bruster over in another real estate office one day and he said—of course, I've known this fellow for 2 or 3 years—he asked me, he said: “Ken, what are you trying to do to me, lose my real estate license?”

I said: “No, sir, I am not trying to lose your real estate license. I'm just trying to be fair to everybody, that's all.” I've worked with both white and black people and I like both white and black people so I can't see why we shouldn't work together and be fair with them.

MR. GLICK. Mr. Mumbower, turning back to the—your complaint and HUD visits, were you at any time asked to sign a notarized complaint by the HUD officials?

MR. MUMBOWER. Yes, I was.

MR. GLICK. Did you do so?

MR. MUMBOWER. No, sir.

MR. GLICK. Can you tell me why you refused to do so?

MR. MUMBOWER. I made a report on it, I figured that was sufficient. Why should I sign a notarized statement? I've got a copy of my report right here which I will verify that I made to anybody.

MR. GLICK. Did—

VICE CHAIRMAN HORN. Excuse me, Counsel. Is it necessary under the HUD procedures that a notarized report be signed?

MR. GLICK. I don't know.

VICE CHAIRMAN HORN. Okay.

MR. GLICK. Did the HUD officials suggest or advise you as to whether they thought there had been a violation of Federal law or not?

MR. MUMBOWER. I didn't ask them whether it was a violation or not, sir. We discussed the law, let's put it that way. But I wasn't interested as far as the violation was concerned. I just wanted to be free to show people houses if they have money to buy them regardless of what their race might be.

I don't think we should have to call another real estate company and state to them that we have a white party or we have a black party. I think we ought to be able to call and say: “We want to show a house,” if they've got the money to buy it.

MR. GLICK. Thank you.

Now, Mrs. Epstein, you said you were associated with Freedom of Residence?

MRS. EPSTEIN. Yes.

MR. GLICK. Could you describe that organization for us, please?

MRS. EPSTEIN. Freedom of Residence was started in 1961 by a group of friends who were concerned in civil rights, most particularly perhaps in the area of housing. Since the decision in the *Jones versus Mayer* case, which rules that discrimination in the sale and rental of housing is illegal under the Civil Rights Act of 1866, and also since the enactment of the Civil Rights Law of 1968, Freedom of Residence has changed its method of operation.



Prior to these—to the ruling, the Supreme Court ruling, and prior to this 1968 Civil Rights Act, we kept a list of housing on the open market. Since now all housing must be available to everyone we no longer maintain such lists. In fact, we encourage our black buyers or renters to investigate the market themselves, either in the city or in the county. And I'd like to state rather emphatically here that we at Freedom of Residence feel very strongly that people should buy or rent either in an all-black area or either in an all-white area or either in an integrated area, whatever their choice is, and we support them in this effort.

MR. GLICK. Has Freedom of Residence received any foundation support, Mrs. Epstein?

MRS. EPSTEIN. Yes. In the spring of 1968 we were funded for 3 years by the Danforth Foundation, \$50,000 per year.

MR. GLICK. Are most of the people who come to Freedom of Residence seeking help seeking rental units or to buy housing?

MRS. EPSTEIN. Most of them seek rental units.

MR. GLICK. Rental?

MRS. EPSTEIN. Pardon?

MR. GLICK. Have any persons, that to your knowledge, have been employed by the McDonnell Douglas Corporation come to Freedom of Residence?

MRS. EPSTEIN. Yes, we've had quite a number of them. In fact, I checked through our records and the number is probably not accurate but I found that within the last 4 years we've had 42 such cases. There probably were many more.

MR. GLICK. Were these persons looking for housing in the suburbs or in the city of St. Louis? Do you know?

MRS. EPSTEIN. Both in the suburbs and in the city of St. Louis.

MR. GLICK. I see. Were you able to help them in finding housing?

MRS. EPSTEIN. Yes. In fact, one of our most recent cases—I wish that Mr. Dueringer were here so I could tell him about this—was someone who had come to St. Louis in March of this year and was staying at the "Y" because he could not find any housing and he looked all over town, went repeatedly to the McDonnell housing office and told them of his difficulties and all that they said was: "Too bad, go out and look some more." And yet their white employees were able to find housing almost immediately. And finally the man came to us saying: "You know, I've gone to so many places and everywhere I'm turned down, and I'm beginning to believe that I'm discriminated against."

Initially this man didn't even think that he was discriminated against. He thought people were telling him the truth when they said an apartment is rented already. And through our assistance he then was able to get a unit that he was told is not available. When I went there 5 minutes after he was told the unit was not available I was able to rent that unit.

MR. GLICK. Have any other employees of McDonnell Douglas that have come to Freedom of Residence indicated to you that they believe they had been discriminated against in finding housing?

MRS. EPSTEIN. Yes.

MR. GLICK. Thank you.

VICE CHAIRMAN HORN. Excuse me. Are we leaving McDonnell Douglas at this point, because I'd like to pinpoint something here.

MR. GLICK. Please do.

VICE CHAIRMAN HORN. I wonder, Mrs. Epstein, have you ever reported to the McDonnell Douglas housing offices cases of discrimination based on tests that your group has run, or what not?

MRS. EPSTEIN. I think we have, but I am not sure.

VICE CHAIRMAN HORN. And you specifically named apartment units or Realtor groups that were discriminating?

MR. LIBERMAN. I don't know if a report was made in this particular fashion. I know that over the years there have been discussions with the McDonnell housing office and initially they maintained separate lists of housing for the black employees and their white employees. And there was a meeting at that time, and then they put them on the same list.

MR. GLICK. Excuse me, Mr. Chairman. I think we better swear Counsel. He is going to testify.

VICE CHAIRMAN HORN. I'm sorry. Hasn't he been sworn?

MR. GLICK. No, he has not. He's appearing as Counsel.

VICE CHAIRMAN HORN. Could we swear the Counsel in, please.

MR. GLICK. Mr. Liberman, will you stand, please?

COMMISSIONER FREEMAN. Mr. Liberman was sworn last night.

VICE CHAIRMAN HORN. Does the oath continue over?

COMMISSIONER FREEMAN. Yes.

MR. LIBERMAN. Continuing, there was a meeting about this and eventually that policy was changed to have one list and then I believe the list turned out to be marked. And there were further meetings and I think they are now using just one list for everybody. And what meetings have been recently with respect to specific cases I don't really know.

VICE CHAIRMAN HORN. Well, I believe we heard last night that there was only one case that they recalled of where I believe an apartment manager had discriminated and his listing had been pulled and not put back for any reference of either white or black employees.

It would seem to me that a Government contractor, fair employment employer, that if local groups interested in the housing field brought this matter to their attention there's a certain responsibility then to remove discriminatory groups from their listings. And that's all I wanted to make clear.

MR. GLICK. Mr. Liberman, could you state a date up until when McDonnell maintained dual lists?

MR. LIBERMAN. I can't state a precise date. I would say it goes back maybe 2, 3 or 4 years ago when we first became aware of that situation, and then I'm not sure exactly when they corrected it.

MR. GLICK. Do you know when the meetings took place that you say led to their—

MR. LIBERMAN. I would say about that time.

MR. GLICK. About 3 or 4 years ago?

MR. LIBERMAN. Yes. And I think there may have been some other meetings since then.

MR. GLICK. Thank you.

Mrs. Parks, you are also associated with Freedom of Residence. Is that correct?

Mrs. PARKS. Yes.

MR. GLICK. In what capacity have you been associated with Freedom of Residence?

Mrs. PARKS. As a tester or checker, during the summer months.

MR. GLICK. And what was your function as a tester or checker?

Mrs. PARKS. Checking real estate companies. I would present myself as a potential buyer and not indicate a specific area, to see where I would be directed in my quest for housing.

MR. GLICK. How many real estate companies did you visit?

Mrs. PARKS. I think I made about 12 visits.

MR. GLICK. To separate offices or companies?

Mrs. PARKS. Yes.

MR. GLICK. What did you say when you talked to the sales representatives?

Mrs. PARKS. The only remark I would make on entering would be that I was interested in purchasing a three-bedroom house, and I would indicate a price range. The price range varied, depending on the particular office, you know, where I was visiting. This is all that I would say initially.

MR. GLICK. What kind of a response would you receive from this?

Mrs. PARKS. The response most times was University City. They would immediately begin to talk about or show me property—show me pictures, or refer to listings in University City.

In some instances I would state that I wasn't interested in University City, I wasn't particular about living there. And in most instances it was University City or nothing else available.

MR. GLICK. Did they refer you to any particular area of University City?

Mrs. PARKS. This varied. I couldn't say that everybody did. In some instances I was referred to a particular area and others I wasn't, you know.

MR. GLICK. Were you referred to any other municipalities or parts of the county besides University City?

Mrs. PARKS. I think I can remember about three instances maybe where I referred to something else. This was after I said that I

wasn't interested in University City.

MR. GLICK. Could you name any of the other areas to which you were referred?

MRS. PARKS. Northwoods.

MR. GLICK. Northwoods?

MRS. PARKS. Yes. I was referred to that area.

MR. GLICK. What is the racial composition of University City, particularly the areas to which you were referred?

MRS. PARKS. Oh, the areas that I was referred, most often was north of Olive Street Road, and I would say, I would suppose that the racial would be pretty nearly—I guess the majority are blacks, or closely approaching that.

MR. GLICK. What is the racial composition of Northwoods, to your knowledge?

MRS. PARKS. No, I don't.

MR. GLICK. You don't know the racial composition?

MRS. PARKS. No. I understand that—I'm not sure but I think that there has been quite a bit of movement activity and that you have quite a few blacks in Northwoods.

MR. GLICK. Would you describe that as a changing area? Changing neighborhood?

MRS. PARKS. Yes.

MR. GLICK. Did you have occasion to visit the offices of Jerome Howe, Realtors?

MRS. PARKS. Yes.

MR. GLICK. And did you follow the same procedure there as you did at the other offices?

MRS. PARKS. Yes. Here I asked for a three-bedroom house and I indicated a price range of \$25,000 to \$30,000. This agent did ask me about University City, how about University City? And I said that I wasn't particularly interested in University City. And the agent proceeded to tell me about a listing in University City, to describe the house and where it was located and its price range and what have you. And then went on to tell me that they had lovely homes there and so forth and so on.

Then he asked me if I wanted a new type building and I said that I didn't want anything 30 or 40 years old, and he went on to explain that this particular place that he was talking about was about 27 years old, or what have you.

Then I asked specifically about some other county area, and he asked me where specifically. And I generalized like South County, around Lindbergh and places like this. And he said they didn't have anything and asked for my name and phone number and that he would call me. And I never did receive a call.

MR. GLICK. You did not specifically ask for listings in University City? That was suggested to you?

MRS. PARKS. Yes.

MR. GLICK. I see. Thank you. Did you also visit the Armbruster Real Estate Company?

MRS. PARKS. Yes, I did.

MR. GLICK. Did you follow the same procedure there as you did at other firms?

MRS. PARKS. The same procedure. I would indicate a three-bedroom home and give an approximate price range and I would indicate a specific area.

MR. GLICK. Could you tell me what happened at the Armbruster Company?

MRS. PARKS. Well, I visited—they have two separate physical locations—I visited both offices. At one, this person did ask me if I was interested in a specific area and I said, no, because I was interested in seeing where I would be directed. Then they asked me some other information about the type of house and what have you. So I gave no specifics, you know. My main interest was a three-bedroom house and the price range. And this agent gave me two listings in University City and a listing in this Northwoods area.

Not one of these offices—the price range I indicated was \$22,000 to \$25,000—and one of the U City listings was \$19,000 and the other listing was \$26,000, I think. And then this listing in Northwoods, or Pasadena Hills was thirty-seven something, \$37,500, I believe.

Then at the other, she said that this was all that they had at my price range and I could look at these and if I was interested to call back.

At the other Armbruster office I indicated a different price range because this location, I thought the property there would probably be a bit higher, and I indicated \$24,000 to \$28,000 price range, and I said that I could pay as much as \$30,000 for a house.

The only property mentioned to me was University City. The price range, one was \$24,000 and one was \$23,000. I indicated there was some urgency, that I really needed the house and what have you, and this was all I was offered at this Armbruster Company.

MR. GLICK. The only listings they suggested to you were in University City?

MRS. PARKS. University City, yes.

MR. GLICK. No other place in the county or the city?

MRS. PARKS. Yes.

I mentioned to this agent at the second Armbruster office that I had heard that there was some sort of difficulty in University City and I had heard unfavorable remarks about University City and she said she couldn't imagine what I had heard, there wasn't any difficulty that she knew of, and she said the lower end of University City maybe wasn't as nice as some of the other areas but they were having no difficulty, no problems of any kind. And she was sure that I would like that, and that any place else would be just too far out

of my price range, and she indicated a price range starting at \$39,000 and up.

MR. GLICK. Mrs. Parks, you said that you visited 12 real estate offices?

MRS. PARKS. Yes.

MR. GLICK. During the course of your work, of all the sales agents, receptionists, secretaries, and other employees in these offices, can you recall how many of those were black?

MRS. PARKS. I have not seen a black individual other than myself in any of these places.

MR. GLICK. In no capacity?

MRS. PARKS. In no capacity.

MR. GLICK. Thank you, Mrs. Parks.

Turning again to Mrs. Epstein, did you engage in similar activities to those described by Mrs. Parks in that project?

MRS. EPSTEIN. Yes, I did. As a matter of fact, there were about 13 of us who engaged in this kind of activity, about half black and half white, and all told, 15 different real estate companies were visited, many more offices than that, because some of them have two and three branch offices. I myself visited 12 different companies.

MR. GLICK. What was your initial contact? What did you say when you went into an office? What did you appear to be seeking?

MRS. EPSTEIN. There were two kinds of contacts that I made. Initially I went in to purchase a house. Later on I went in to sell my house.

MR. GLICK. What was the response when you asked to purchase a home—said that you were interested in purchasing?

MR. EPSTEIN. I indicated where I lived, in the unincorporated area near Creve Coeur, and I said I wanted a three-bedroom house in the \$18,000 to \$22,000 price range. I wanted it east of Lindberg and in the vicinity of Olive Street Road. And the answers I got ranged all the way from: "How about a house in Creve Coeur?"—and of course, that would hardly be further east from where I lived because this is approximately where I live. "How about a house in Chesterfield?" And that's further west than where I live, and I had indicated east. "How about a house in Clayton or Ladue?" and houses in Clayton or Ladue are far higher than the \$18,000 to \$22,000 price range I had indicated.

Too, I was told: "Well, we also don't have anything in Olivette in your price range." And then when I would say: "Well, how about a little bit further east?" I was—each instance told: "Well, University City is all colored, you don't want to go there." In fact, the very first real estate company that I ever visited, I was told this and in addition to that I was told: "Property values are going down there, the neighborhood is getting blighted and there are many break-ins." And in fact, the agent was very, very angry with me for even wanting to consider moving to University City.

MR. GLICK. Were there other offices in which you specifically asked about University City?

MRS. EPSTEIN. Yes, there were many offices where I asked that question and I always was told something in this particular vein.

MR. GLICK. You were told not to look in University City?

MRS. EPSTEIN. Right.

MR. GLICK. Did you personally visit the office of Jerome L. Howe, Inc.?

MRS. EPSTEIN. Yes, I did. And that was for the purpose of selling my home.

MR. GLICK. Did you speak to Mr. Howe personally there?

MRS. EPSTEIN. Yes, I did, and I told Mr. Howe I want to sell our house, I'm concerned about the neighborhood. And Mr. Howe immediately launched into about an hour and a half monologue type conversation with me where he espoused his views on race.

MR. GLICK. For an hour and a half, Mrs. Epstein?

MRS. EPSTEIN. Right. Right.

MR. GLICK. In addition to his own personal views, did Mr. Howe express his company's policy with respect to various areas in the county?

MRS. EPSTEIN. Well, he tried to assure me how they would handle the sale of our house, knowing the concern that both my husband and I had about not selling to blacks.

MR. GLICK. How did he know that?

MRS. EPSTEIN. He never spoke to my husband, he never saw my husband.

MR. GLICK. How did he know about your concern? Had you expressed that to him?

MRS. EPSTEIN. No, all I said, I'm concerned about who I sell my house to. Now, this could have been, I'm concerned because there are no children in the neighborhood and I don't want to sell to a family with 10 children. But he never checked that out, he right away assumed that I was talking about race.

MR. GLICK. I see. Well, what did he say about the various areas in the county?

MRS. EPSTEIN. Well, he told me that they never break an area, they only, and I'm quoting him now, he said: "We only sell if there are colored on the block already." He said on the telephone we can usually screen out the voices of black people. He also said, selling to blacks is bad business for us, we have to consider our reputation.

Then I finally did have an opportunity to inject a question, and I said to him: "What would you do if a black family came in and asked to see a house something like ours in our price range and in our area?" And he said: "Well, we wouldn't share your listing with them. In fact," he said, "we only share about one-fifth of all of our listings with black people." And he then said: "If they specifically

ask for your house, then of course we would have to show them the house because of the Federal law." And he used this to illustrate how the Federal Government runs his business and deprives him of his rights.

MR. GLICK. Mrs. Epstein, did you also visit the Armbruster Realty Company?

MRS. EPSTEIN. Yes, I did.

MR. GLICK. Who did you speak to there?

MRS. EPSTEIN. The last time I visited I spoke to Mr. Faerber, or is it Mr. Farber?

MR. GLICK. Did you discuss moving to University City with an agent of the Armbruster Company or with Mr. Faerber?

MRS. EPSTEIN. With two agents.

MR. GLICK. And what was their response?

MRS. EPSTEIN. The first time I visited I indicated that I wanted to buy an \$18,000 to \$20,000, three-bedroom house east of Lindbergh and in the vicinity of Olivette,—Olive Street Road, I'm sorry. And I was told that there is nothing in that price range in Olivette and when I asked: "How about a little bit further east?" I was told: "There are lots of colored in University City and I want to be very honest with you, just like I wouldn't want to sell a house to you with a flaw in it, I wanted you to know this, and I am quite sure that you wouldn't want to live next to colored."

MR. GLICK. This was told to you by an agent?

MRS. EPSTEIN. Right.

MR. GLICK. What did Mr. Faerber tell you?

MRS. EPSTEIN. When I spoke to Mr. Faerber I told him that I wanted to sell our house and I was concerned about our neighborhood. And he said he understood my concern and it's a cruel world. And then he explained how they would handle the sale of our house. He suggested that Armbruster might not put a "For Sale" sign up in front of our house because black families driving around would then not know that our house is for sale. He said: "Of course we have to advertise in the newspaper and it's possible that a black family then might find the listing of your house in the newspaper and ask for your house specifically. In that case we call you up and you could make all kinds of excuses. Like, for instance, that you are going to be out of town, this is a very inconvenient time, you are not going to be home, and so on. And you can then hope that by the time you run out of excuses the family will have gone away and will have found something elsewhere."

VICE CHAIRMAN HORN. Excuse me at that point, Mrs. Epstein. When you said you were concerned about your neighborhood, what did you mean by that phrase?

MRS. EPSTEIN. I didn't—if I were asked I might have given a totally different explanation than what I was—than the assump-



tion that was made by the different real estate people that I spoke to.

VICE CHAIRMAN HORN. I am worried about, were you coloring an answer by that particular statement, and triggering a response?

MRS. EPSTEIN. We are very much aware of the manipulation of the real estate community whereby they manipulate both blacks and whites, blacks into all-black or at best into integrated areas, and whites into all-white areas. And we expected, I guess, to find this kind of thing. So in that way I suppose you can say that I was coloring it, but it was never checked out. My concern could have been many, many other things. Not once was I asked: "What is your concern?" It was always assumed that my concern is that I don't want to sell to blacks.

MR. GLICK. Were you told of a specific house in Olivette by someone at the Armbruster Company, that it was restricted?

MRS. EPSTEIN. Yes, I was.

MR. GLICK. Was this a salesman or was this Mr. Faerber?

MRS. EPSTEIN. No, this was a salesman and it was in a different office than the one that I just spoke about.

I had initially visited this office, too, with the same request, an \$18,000 to \$22,000, three-bedroom house east of Lindbergh, in the vicinity of Olive Street Road, and at that time the agent told me that he had nothing in Olivette and he, too, warned me about University City and then about 10 days after I had been in the office he phoned me and he said he had just gotten a listing of a house in Olivette and this listing was given to him by a real estate speculator who had said to him for fear that colored will want to buy there'll be no "For Sale" sign. And in fact, we don't—and also so that they not only will not be able to buy, but they will not be able to come and look at the house. And he said this real estate speculator has shared this listing with some of his friends in the real estate community and we are all cooperating.

MR. GLICK. Madam Chairman, I have no further questions at this time.

COMMISSIONER FREEMAN. Dr. Rankin?

COMMISSIONER RANKIN. I have one question.

Do the real estate operators that you got in touch with, do they know about Federal law?

MRS. EPSTEIN. Yes, apparently they do, but they are also experts in getting around the law.

COMMISSIONER RANKIN. You say they are expert. Have you ever run afoul of the law?

MRS. EPSTEIN. Well, we've had—we've pointed out to a number of them when there has been discrimination cases that have come to our attention what they have done.

COMMISSIONER RANKIN. Well, do you think that a lot of this action is illegal under Federal law?

MRS. EPSTEIN. It definitely is, it's a strict violation of the law.

COMMISSIONER RANKIN. And yet nothing is being done?

MRS. EPSTEIN. Well, you see the thing is that the onus of the responsibility for enforcing these laws is on the black person, and if the black person doesn't feel he wants to file suit, then these people get by with it. And these people, you know, many of these real estate people that I have talked to, Mr. Howe, for instance, talked to me about his concern for law and order. And yet these people are the biggest law violators.

COMMISSIONER RANKIN. Mr. Mumbower, you told us of this instance which was different from your policy. Your policy is to sell to anybody. Am I correct in that?

MR. MUMBOWER. If they have the money, sir, we will sell them a house regardless of race, color, religion, or what.

COMMISSIONER RANKIN. Well, have you run afoul of any other—is this an isolated instance here, the one you told us about, or do you have other instances of where real estate companies have objected to your procedure?

MR. MUMBOWER. We have had other instances, sir.

COMMISSIONER RANKIN. You could cite several, is that correct?

MR. MUMBOWER. I could cite with assistance of some of my sales people maybe three or four different cases, yes.

COMMISSIONER RANKIN. Thank you.

COMMISSIONER FREEMAN. Chancellor Mitchell?

COMMISSIONER MITCHELL. Mr. Mumbower, can I ask you, do you have many black clients?

MR. MUMBOWER. We don't have, and like I say, I'm new in the real estate business since October 1 of last year, as far as my own company is concerned. I was with another company as branch manager. Florissant, as you know, is integrated, it's not the percentage of white and black, is still pretty —

COMMISSIONER MITCHELL. Your own list of people looking for homes would have very few black people on it, I assume? Or do you have —

MR. MUMBOWER. We have three or four.

COMMISSIONER MITCHELL. Out of 100 —

MR. MUMBOWER. Black clients right now.

COMMISSIONER MITCHELL. Out of 100, would you say?

MR. MUMBOWER. I don't think we have that many clients or prospects right now.

COMMISSIONER MITCHELL. Out of six?

MR. MUMBOWER. Probably. I'd say the percentage probably is about 10 percent black.

COMMISSIONER MITCHELL. Do you have any Mexican American clients?

MR. MUMBOWER. I truthfully don't know. I don't know of any.

COMMISSIONER MITCHELL. Would you say that the situation with respect to housing for Mexican Americans was about the same as it would be for blacks? If I came in and my name was Gonzales, would you have as much trouble?

MR. MUMBOWER. I'd sure start showing you pictures, that's what I would start doing.

COMMISSIONER MITCHELL. But would you get in trouble with Armbruster?

MR. MUMBOWER. I don't know. I couldn't answer that one.

COMMISSIONER MITCHELL. Suppose my name was Cohen? Or Epstein?

MR. MUMBOWER. I only state the facts. I don't know what they would do—with regard to white groups.

COMMISSIONER MITCHELL. You are not aware of any discrimination in housing against the Mexican Americans or Jews?

MR. MUMBOWER. No, sir, sure don't

COMMISSIONER MITCHELL. O'Reilly?

MR. MUMBOWER. This is the only incident I've had. And that's the —

COMMISSIONER MITCHELL. Are you now prohibited or does Armbruster allow you to show their listings?

MR. MUMBOWER. Oh, I can't say they've actually declined us to show. But I've had two or three of my salesmen who say they was very curt with them when they called down there to show houses.

COMMISSIONER MITCHELL. But if you showed an Armbruster house would you be able, in your opinion right now, to have the usual financial relationship with them in terms of the commission?

MR. MUMBOWER. I don't think I would, sir. I don't think the same friendliness would be there, no.

COMMISSIONER MITCHELL. Well, you can be very unfriendly and split a commission.

MR. MUMBOWER. Well, I think that possibly would happen. I wouldn't say that they wouldn't work with me because I haven't had the opportunity since then.

COMMISSIONER MITCHELL. With respect to your dealings with HUD, at any time did they try to tell you that you didn't have a valid complaint?

MR. MUMBOWER. No, sir.

COMMISSIONER MITCHELL. And they never said: "This isn't really a complaint" or "You're not really injured under the law"?

MR. MUMBOWER. I'm not really what?

COMMISSIONER MITCHELL. That there has been no violation of the law.

MR. MUMBOWER. They didn't say there hadn't been any violation of the law. They didn't make any decisions to me, sir.

COMMISSIONER MITCHELL. Thank you.

Mrs. Epstein, who's the boss, and I say this because I'm not a resident of St. Louis—who's the boss of Freedom of Residence?

MRS. EPSTEIN. Mr. James Sporleder.

COMMISSIONER MITCHELL. Does he work there all the time?

MRS. EPSTEIN. Yes, he is the director of Freedom of Residence.

COMMISSIONER MITCHELL. And how big is the staff?

MRS. EPSTEIN. There's the director and two full-time professional people and one who works part-time and one secretary.

COMMISSIONER MITCHELL. And you are one of the two full-time professional people?

MRS. EPSTEIN. Yes.

COMMISSIONER MITCHELL. What is a professional person in Freedom of Residence? What's the profession? What training, what kind of training, would you need for that job? Or prior experience?

MRS. EPSTEIN. I think a knowledge and acquaintance with the housing situation as it has been in the United States for many years and as it is still now, despite Federal laws.

COMMISSIONER MITCHELL. Have you had that kind of experience?

MRS. EPSTEIN. I had this experience prior to working at Freedom of Residence as a volunteer for Freedom of Residence.

COMMISSIONER MITCHELL. So you got your experience locally then?

MRS. EPSTEIN. Right.

COMMISSIONER MITCHELL. You said something about suggesting to Realtors as you called on them for testing purposes that you thought your neighborhood was undesirable?

MRS. EPSTEIN. No, I never said this.

COMMISSIONER MITCHELL. You were worried about your neighborhood?

MRS. EPSTEIN. I just said I'm concerned.

COMMISSIONER MITCHELL. You are concerned about your neighborhood?

MRS. EPSTEIN. But this could be many, many different things.

COMMISSIONER MITCHELL. What other things beside the fact that it was turning black? Mexican American?

MRS. EPSTEIN. As a matter of fact, it isn't turning black.

COMMISSIONER MITCHELL. No, but you were trying to convey an impression in testing that it was, or something was happening, right?

MRS. EPSTEIN. Well, I left it open to be asked: "What is your concern?" and I was never asked. The assumption was always that I am concerned that blacks would want to move into the neighborhood.

COMMISSIONER MITCHELL. What might the other assumptions have been, the many other things they might have been?

MRS. EPSTEIN. Well, as I mentioned earlier, that maybe there are children living on the street and I wouldn't want to sell to a family that has no children, or vice versa, that maybe I would want to sell to an older couple, to a younger couple.

COMMISSIONER MITCHELL. But that wouldn't be a concern about the neighborhood, would it?

MRS. EPSTEIN. Well, it—let's say if the neighborhood, the composition of the neighborhood would be all middle-aged families, let's say, then I might want to maintain it that way and urge them to try to find a family that is also middle-aged.

COMMISSIONER MITCHELL. Now, in your work for Freedom of Residence, do you run into discrimination against Mexican Americans?

MRS. EPSTEIN. We haven't as far as—we have? Oh. Not in my own personal experience then.

COMMISSIONER MITCHELL. It's very rare that you have any Mexican American who came into your office looking for housing or help or that you run into anybody whose restrictions would include Mexican Americans?

MR. LIBERMAN. I'd like to interrupt. We don't have a very large Mexican American population in St. Louis. I do know of one case within the last year where we did run into discrimination against somebody on that basis which was settled by bringing the existence of the law to the attention —

COMMISSIONER MITCHELL. Are there neighborhoods in the St. Louis area where Jews are not welcome as owners of houses?

MRS. EPSTEIN. Not that I am aware of.

MR. LIBERMAN. Well, again I can say that we've had over the years a few complaints from Jews but, by and large, in 99 percent of our business is black people feeling that they have been discriminated against.

COMMISSIONER MITCHELL. But your impression is that any Jewish person moving here with the name that identifies the likelihood that he is a Jew would have no problem buying any house in any residential area?

MRS. EPSTEIN. Right.

COMMISSIONER MITCHELL. Do McDonnell Douglas people come to you often?

MRS. EPSTEIN. As I stated earlier I looked through our records and I found that within the last 4 years I found 42 cases. Now I must say prior to the Danforth Foundation money coming in, our organization was very often on the brink of going out of business because of lack of funds, so very often volunteers were staffing the office and records weren't always kept in the best way. But I know of 42 cases within the last 4 years.

COMMISSIONER MITCHELL. Thank you.

Mrs. Parks, were there any exceptions in your travels? I didn't remember your identifying them. Did you go any place where people understood what you wanted and offered you accommodations in areas you might have wanted to live in? Was the picture 100 percent discouraging?

MRS. PARKS. Of the number of offices visited, as she explained some offices more than once, I remember, I recall one incident where this person appeared to freely designate other areas. They mentioned the fact that because of the law, you know, that I couldn't be pocketed in a particular area and they mentioned—I don't remember the names of the little places, but South County and this sort of thing, but only one.

COMMISSIONER MITCHELL. Do you still teach, Mrs. Parks?

MRS. PARKS. Yes.

COMMISSIONER MITCHELL. What you are saying really is that there are many communities in this area in which you might teach but in which you couldn't live?

MRS. PARKS. When you are saying that I couldn't live—

COMMISSIONER MITCHELL. Well, you wouldn't be sold a home?

MRS. PARKS. They could get around it, yes, definitely.

COMMISSIONER MITCHELL. Thank you.

MRS. PARKS. Definitely.

MR. MUMBOWER. Commissioner, may I add a few comments, please?

COMMISSIONER MITCHELL. Yes.

MR. MUMBOWER. A lot of times it is not exactly the real estate person's fault either. (The comment I wanted to make kind of left me.) The seller themselves—I mean the real estate broker—my company, for instance, represents the seller of a house. Now, I discussed this both with the Civil Rights Commission and with personnel from HUD that the seller will say: "Well, we want to sell only to a certain class of people" or a lot of times they set a lot of different limitations on it. And I tried to find out what the law is pertaining to the real estate broker as to follow the wishes of the seller. And actually we represent the seller when we get right down to it.

We sign a listing contract with the seller. I am not a member of the real estate board therefore my listing contract doesn't say on there we will not discriminate. When we go out and get a listing, we always tell the people verbally, however, that regardless of the fact it doesn't appear on the listing contract that we prefer to sell or offer their house for sale to—regardless of what race might want to buy it.

But we have run across a few sellers who have been a little belligerent about it, they don't want to sell to certain types of people due to the fact that it might hurt their position with their neighbors or something.

COMMISSIONER FREEMAN. Mr. Mumbower, has this happened since January 1 of this year?

MR. MUMBOWER. It hasn't happened to us, Mrs. Freeman, because the real estate business hasn't been that good since January 1 this year. The listing has been rather slow, so we haven't listed very many houses since then but it has happened to us over the past

couple of years, I would say. A lot of sellers in certain neighborhoods say that: "We prefer to sell our house to white people", and possibly vice versa. And we represent the seller.

Now, I realize, as far as I know the Fair Housing Law, I think the seller has the right to discriminate in the Fair Housing Law, if I read it correctly, but when you go to the Federal law they may not have the right to discriminate. So I'd like to know what position the real estate broker is really in, what should we do?

COMMISSIONER FREEMAN. Mr. Glickstein, will you read to Mr. Mumbower the provisions of the Federal Fair Housing Law?

MR. GLICKSTEIN. The law now provides that after December 31, 1969, a few weeks ago, the sale or rental of any such single family house shall be excepted from the application of this title only if such house is sold or rented, (a) without the use in any manner of the sales or rental facilities or the sales or rental services of any real estate broker, agent, or salesman or of such facilities or services of any person in the business of selling or renting dwellings or of any employee, et cetera, and, (b) without the publication or any type of advertising. In other words, a single family house that is today sold through the services of a real estate broker is covered by Title VIII of the Civil Rights Act of 1968.

MR. MUMBOWER. In other words, the real estate broker by law is not supposed to discriminate then, right?

MR. GLICKSTEIN. The real estate broker today cannot take into account the wishes of his client without violating the law.

MR. MUMBOWER. What about the seller of the house?

MR. GLICKSTEIN. If the seller of the house does not utilize a real estate broker and does not advertise, the seller of the house can discriminate.

MRS. EPSTEIN. May I add something here?

Under the *Jones versus Mayer* Supreme Court decision, even the individual owner may not discriminate and that became effective in June of 1968. And I'd like to add here, the reason I speak with authority perhaps on this is because the *Jones* case originated with Freedom of Residence and was taken to the Supreme Court by counsel from Freedom of Residence.

VICE CHAIRMAN HORN. Is Counsel familiar with that case?

MR. GLICKSTEIN. Oh, yes.

VICE CHAIRMAN HORN. In other words, you are saying, Mr. Glickstein, then really that despite the law which made that exception under the ruling that a seller cannot discriminate?

MR. GLICKSTEIN. Well, the Title VIII is a Federal statute that is enforceable either through filing complaints with HUD or bringing a law suit under this title. It also permits the Justice Department in certain circumstances to bring a law suit.

The provision of law that Mrs. Epstein is referring to is a provision of one of the statutes passed shortly after the Civil War that

permits a private individual to bring a law suit in order to secure property that he or she desires to purchase. It's a different provision. It is enforced differently.

VICE CHAIRMAN HORN. Not being a lawyer I want to be crystal clear in layman's terms here.

MR. GLICKSTEIN. In layman's terms, the private individual who doesn't use a broker and doesn't advertise, and discriminates against a minority group person, that person, the owner of the house can be sued under the Civil Rights Act of 1866.

VICE CHAIRMAN HORN. But he is sued by the individual, not by the Government acting for the individual?

MR. GLICKSTEIN. That's right.

MR. MUMBOWER. What if he advertises his house for sale in the paper then?

VICE CHAIRMAN HORN. Then he's in violation of the law under the provision which took effect on December 31, 1969.

MR. MUMBOWER. He could be sued by the Government then or he'd be violating the law then, and could be sued by the Government then. Is that right?

COMMISSIONER FREEMAN. Since the case of *Jones versus Mayer* has been raised here, I would like the record to show and the Commissioners to know that the attorney in *Jones versus Mayer* is Mr. Liberman, one of the witnesses who is now here.

Dr. Horn, do you have some questions?

VICE CHAIRMAN HORN. Let me follow up on the response to one of Dr. Rankin's questions. He was asking if Realtors seemed to be familiar that a Federal law existed in this area and, as I understood the response, it was yes, they were, but they were expert at getting around the law. So that we might have at one place in the record from the combined experience of the four of you, could you succinctly and briefly summarize, what are the obvious techniques that are used by Realtors that you are aware of personally to get around this law?

MRS. EPSTEIN. Are you asking me?

VICE CHAIRMAN HORN. I'd like all four of you to respond.

MRS. EPSTEIN. I think some of them I explained earlier already. When a black person comes in, or maybe I should let Mrs. Parks speak to that, but when a white person indicates a price range of house, type of house, and an area, and if within that area there is an integrated area, he is told, he's advised by the real estate people not to buy in that area, or not to rent in that area because the area is black, because property values are going down, because there is a high crime rate, because the area is blighted, perhaps even the school district is bad or is going down. Any number of excuses like that.

VICE CHAIRMAN HORN. That would seem to me to not be a subtle



evasion of law but a direct violation of the law, wouldn't it to you?

Mrs. EPSTEIN. Right.

VICE CHAIRMAN HORN. I wondered if there were more devious methods avoiding the law?

Mrs. EPSTEIN. I could cite an incident that came to our attention just recently and I won't mention names because the people aren't here, but this was a black family who wanted to rent a home and they applied—they went to the real estate company, were shown the home, and they filled out an application, made a deposit, I believe it was 2 weeks rent. And then never heard any more. When they contacted the real estate company they were told, oh, the owner has taken the house off the market because he has found out that the area is zoned commercial and he could get more money for it this way if he rents it commercially.

Then within the month the same family saw a "For Rent" sign in front of another house listed by the same real estate company, and applied—saw the house, applied for it, and left a deposit of, I believe, 2 months rent. And then very shortly after that were told that the owner took the house off the market because he wanted to redecorate the house.

When this situation was brought to our attention we checked it out and we found that the first house which was taken off the market because it was zoned commercial really wasn't zoned commercial. In fact, the master zoning code read that this area shall never be zoned commercial. Now, never is maybe an exaggeration but certainly at that particular time the house was not zoned commercial.

I personally called one of the offices of this particular real estate company and spoke to the manager of this office and said to him: "I want to rent my home, we are going to be gone for a while and so I am concerned who I rent my home to." And that is all that I had said. And he immediately told me—he started talking to me about the law, both the real estate company and me, that I cannot discriminate, but ha, ha, ha, just the other day we had a situation where the owner took the house off the market and said he wanted to redecorate. And I think this is a description of a subtle way of discriminating against a family.

VICE CHAIRMAN HORN. Are there any other techniques beside what's been mentioned that any of you are aware of?

Mrs. PARKS. Oftentimes, in most of my visits, we never got around to talking finances, this is to how I qualified financially for the particular price range indicated, and I was told more than once that I couldn't, you know, they would say, the sellers won't accept, most sellers won't accept FHA or GI. They assumed that I was going to purchase either FHA or GI.

I was often told that—having only indicated the size of the house and the approximate price range, I was told where I would be happy,

they knew I would be happy here and they wouldn't want to put me some place where I wouldn't be happy. I was also told that certain—that this is too far out, as they would pass, you know, this is too far out. How do you know? I haven't indicated anything. You don't know anything.

I think that we have to remember that when a person goes to an office, a real estate office to purchase, for the most part they are relying on their experience and their knowledge, you know, in acquiring their home. And they feel that if I say county and three-bedroom and so forth and so on. The county is large. This isn't just University City, so why, as a black person am I, you know, University City, and then why all the virtues and what have you, lauded about University City to a black person and then to a white individual it's a different story altogether. So I think there are subtle and obvious means of manipulation. What may be obvious to us though, because we are informed to an extent, could very well be subtle to a person who isn't knowledgeable about these things.

VICE CHAIRMAN HORN. What you are saying is and what all this testimony is saying is that there is direct collusion by Realtors, generally, to perpetuate a ghetto which might move from, say, central St. Louis to University City?

MRS. PARKS. To that I would respond emphatically yes.

VICE CHAIRMAN HORN. Let me ask you, Mr. Mumbower, if nobody else has an example of additional techniques, you were a Realtor, have you received notices from HUD as to the Federal law—

MR. MUMBOWER. I am not a Realtor.

VICE CHAIRMAN HORN. Oh, you are not a Realtor?

MR. MUMBOWER. No, I am a real estate broker but not a Realtor. There is a difference. You see, I don't belong to the real estate board and to be a Realtor you have to belong to the real estate board.

VICE CHAIRMAN HORN. I take it though, the law, Mr. Glickstein, would apply to a real estate broker as well? Wouldn't it?

MR. GLICKSTEIN. Oh, yes.

MR. MUMBOWER. It's the same law.

VICE CHAIRMAN HORN. Yes. Have you ever received notices from HUD as to the existence of this law, to your knowledge?

MR. MUMBOWER. I don't know if I follow you there.

VICE CHAIRMAN HORN. Well, has the Department of Housing and Urban Development, which is responsible for enforcing the provision of the law that Mr. Glickstein read, ever notified you as a real estate broker that such a law exists and perhaps in a pamphlet in layman's terms explained what the provisions are so that you could conduct your affairs accordingly?

MR. MUMBOWER. Well, after I made my complaint, I actually made my complaint to the Federal Housing Administration, and they passed it on to HUD. After I made my complaint, about a week later I had a letter saying that I would have a couple of their

employees call on me such and such a day.

VICE CHAIRMAN HORN. But no information was sent to you just to make you aware of such a law in advance, to your knowledge?

MR. MUMBOWER. They brought pamphlets and stuff along with it and they gave them to me when they came up, yes.

VICE CHAIRMAN HORN. That's all I have.

MR. LIBERMAN. I'd like to add a response to your earlier question about the methods used.

We find that our major problem is more in apartments than housing. People can be a little bit more subtle in apartments. They can say, it's been taken, or we just got a lease, or, leave an application, we've got a long waiting list. And the only way you can find out about that then is to send a white person there and see how they get treated.

COMMISSIONER FREEMAN. Mr. Glickstein?

MR. MUMBOWER. Really, I tell the people when I go out for a listing, if they don't want to sell to a particular race, the only thing I can do is just take the house off the market. That's the way we solve the whole problem. When we go out and get a listing, we tell them we want to sell this house to anybody who's got the money to buy and if they don't want to sell to anybody who's got the money to buy it, they just have to take it off the market. They have that option. Although we could probably force—it's never happened to me. We probably could force the real estate commission if we got a full offer on the house. You know what I mean? The only policy we have on it is we just have to take the house off the market.

MR. GLICKSTEIN. Mr. Mumbower, why aren't you a member of the real estate board?

MR. MUMBOWER. I haven't been invited yet, sir.

MR. GLICKSTEIN. You have to be invited? You can't apply for membership?

MR. MUMBOWER. I think you have to be invited, I believe.

MR. GLICKSTEIN. Mrs. Epstein, have you ever had any complaints involving discrimination by financial institutions?

MRS. EPSTEIN. We know about it but we haven't really been able to look into this because even with the Danforth Foundation money we still are somewhat limited economically and we would really need to have more staff and therefore more time, more money to look into this.

MR. GLICKSTEIN. But you have had some complaints?

MRS. EPSTEIN. Yes. There was a situation where a white family was selling their house and had it listed with a real estate company. And one Sunday there was Open House by—the real estate company had Open House, and the lady of the house was home. And there were some black people walking down the street and the salesman said to her, "Oh, you have to be real careful now." And she said, "Well, why, what's happening?" And he said, "There are

some colored people walking down the street." And she explained—why can't they walk down the street, you know, maybe they are going to the school nearby or visiting friends or whatever. And somewhere later in the conversation, he said he knew for a fact that the local bank does everything in its power not to lend money to black families who want to move into white neighborhoods.

MR. GLICKSTEIN. But you've had—your organization itself has received few complaints. Is it more difficult to pursue such complaints or document such complaints?

MRS. EPSTEIN. I think it is probably much more difficult to pursue this.

MR. LIBERMAN. I might add that we have received, over the years, a lot of complaints, including sometimes complaints against FHA itself and other people regarding discrimination.

MR. GLICKSTEIN. Mrs. Epstein, are you familiar with the housing statute that's in existence in St. Louis County?

MRS. EPSTEIN. Yes, I am. That statute was passed in 1968 but as far as we can see, it's really totally worthless. It was to be administered by the county human relations commission. There was not even any provision made for telephone calls to be received by the unmanned commission or the unstaffed commission.

After some complaints were made to County Supervisor Lawrence Roos, provisions were finally made for telephone calls to be referred to, of all places, the county welfare department. Then in the spring of 1968—I'm sorry, 1969, several months after the statute was passed, Supervisor Roos had the audacity to say, "There is no housing discrimination in St. Louis County."

Of course, many of us knew much better than that because he had really made it quite impossible for us to bring any discrimination cases to his attention.

Then in the fall of 1969 Myron Schwartz was appointed as full-time staff director of the county human relations commission and he was charged with the enforcement of this statute. At the time that he took the position I called him and I asked him for some complaint forms. And he was surprised at the number of complaint forms that I asked him about. I had asked him, I believe, for 200 forms, and he was just shocked. How could I ask for so many?

And then he said, "Well, we really don't have any forms, we are going to try to get one together and I will mail it to you." Just last week I phoned him when we had a complaint that I wanted to share with him and he said, "Well, we are still trying to get that form together." So, you know, how are you going to make a complaint to a commission that can't even get—and how is it going to enforce the statute if it can't even get a complaint form together?

VICE CHAIRMAN HORN. Let me ask you at that point, can't you write a letter to the commission raising the complaint?

MRS. EPSTEIN. Well, this is what I did. This is what I did but I

am wondering, I'm questioning the effectiveness of such a commission if it can't even get a form together.

VICE CHAIRMAN HORN. I've seen Congress act on things that come in written on a paper bag. It depends on the validity of the complaint, I would think, rather than the form.

MRS. EPSTEIN. Well I would very happy to see if the commission is functioning.

MR. GLICKSTEIN. Just to clarify the record a little bit about the St. Louis County law, as I understand it. Mr. Liberman, or you, Mrs. Epstein, if you have the answer, can correct my recollection of the law. The St. Louis County law is modeled after the Federal law and, as I understand, as I recall the provisions of the Federal law in a locality that has a fair housing law, before a person can proceed with his Federal remedy he must first seek to proceed with the local remedy. Is that correct? There are some time limits in there if I recall. It is somewhat more complicated than that.

MR. LIBERMAN. The way I read the Federal law, the person has a choice of proceeding into court or proceeding by way of administrative remedy. And if he goes into court he need not exhaust the administrative procedure.

MR. GLICKSTEIN. If he wants to proceed with HUD he has to exhaust the administrative remedy.

MR. LIBERMAN. If there's an equivalent law.

MR. GLICKSTEIN. I have no further questions. I do have one further question. Mrs. Epstein, have you referred the complaints, some of the complaints or all of the complaints that you discussed with us this morning to the Justice Department?

MRS. EPSTEIN. Yes, we've complained—the ones we've discussed this morning as well as all the others to the Justice Department, we have asked them to file suit and they are at this time looking over the material.

I also would like to—it will sound a little bit like a commercial so I hope you will forgive me—but I'd like to ask—like to urge anyone who has any discrimination complaints to contact us at Freedom of Residence, that's 5868½ Delmar, VOLunteer 2-1118, or contact the U.S. Department of Justice in Washington, D.C., or the Civil Rights Commission which also has offices in Washington, D. C.

VICE CHAIRMAN HORN. Mrs. Epstein, when you said you referred it to the Justice Department, do you mean the U. S. attorney for this district, or do you mean—

MRS. EPSTEIN. No, the U. S. Department of Justice.

VICE CHAIRMAN HORN. In Washington, D. C.?

MRS. EPSTEIN. In Washington, D. C.

VICE CHAIRMAN HORN. Any particular Assistant Attorney General? I'm curious. How does one—just write the complaint to the Attorney General? Is that what you did?

MR. LIBERMAN. The Justice Department has been reorganized and there is a Housing Section now.

VICE CHAIRMAN HORN. And that's to whom you directed your complaint?

MR. LIBERMAN. Yes, I think Mr. Schwelb is the head of the Housing Section.

MR. GLICKSTEIN. It is part of the Civil Rights Division.

MR. LIBERMAN. It is part of the Civil Rights Division.

COMMISSIONER FREEMAN. Thank you. The witnesses are excused. This hearing will be in recess for 10 minutes.

COMMISSIONER FREEMAN. Ladies and gentlemen, I would like to introduce our assistant and newest Commissioner, who within the last hour was just sworn in as a member of this Commission, Mr. Manuel Ruiz, an attorney, Los Angeles, who will be joining us for the rest of these deliberations.

COMMISSIONER RUIZ. Thank you.

COMMISSIONER FREEMAN. Now, we had excused the witnesses, Mrs. Epstein, Mrs. Parks, Mr. Mumbower. You are now being recalled for further questioning. Mr. Glickstein?

MR. GLICKSTEIN. Under the rules of the Commission, our rules provide that if the Commission determines that oral testimony of a witness at a public session tends to defame, degrade, or incriminate any person, such person or his counsel shall be permitted to submit questions to the Commission in writing, which, in the discretion of the Commission, may be put to such witnesses by the Chairman or by authorized Commission staff personnel.

We have had some questions submitted to us by Mr. Robert C. Jones, the attorney for the Armbruster Company, and I would like to read those questions to the three of you and have your responses for the record.

I'll start with Mr. Mumbower. And I'm reading the questions as submitted by Mr. Jones.

Aren't you actually primarily in the printing business?

MR. MUMBOWER. I am in both businesses, sir, both real estate and printing.

MR. GLICKSTEIN. Weren't you an unsuccessful bidder on the new business cards for Armbruster Company's Hazelwood office?

MR. MUMBOWER. Well, I don't know if we were unsuccessful or not. We didn't get the order, if that's what they mean.

MR. GLICKSTEIN. Wasn't the business card order referred to above a substantial order?

MR. MUMBOWER. Not in our measurement of volume dollars, no.

MR. GLICKSTEIN. Don't you blame the manager of Armbruster

Company's Hazelwood office for the failure to secure the business card order?

MR. MUMBOWER. I sure don't.

MR. GLICKSTEIN. Didn't John H. Armbruster and Company refuse to hire you as a salesman for real estate some time before the occurrence you testified to this morning?

MR. MUMBOWER. Would you repeat that, sir?

MR. GLICKSTEIN. I'm sorry. Didn't John H. Armbruster and Company refuse to hire you as a salesman of real estate some time before the occurrence you referred to this morning?

MR. MUMBOWER. I don't know if they refused me or not, sir, I never did ask them for a job.

MR. GLICKSTEIN. Now, I have some questions for—

MR. MUMBOWER. Do you want me to elaborate on that a little further?

MR. GLICKSTEIN. Yes, certainly.

MR. MUMBOWER. I was associated with another real estate company when I went up and took my broker's license and I have never asked John H. Armbruster for a job in selling real estate. And the business card order actually was my daughter's printing company's, so really it didn't pertain to me either, and —

VICE CHAIRMAN HORN. Could I ask, did that business card order come after or before the situation to which you testified?

MR. MUMBOWER. My daughter was working with them on some business cards prior to even me going into my own real estate business. And the business card, I can assure you, the printing had nothing to do with the stamps on the real estate end of it, two different operations completely.

VICE CHAIRMAN HORN. But did the incident in a time sequence occur before or after the situation to which you testified? The refusal of your bid on the printing card?

MR. MUMBOWER. At the time that I talked to the branch manager of Armbruster regarding the race situation, I didn't know whether they were going to take the business card or not, it didn't really make any difference. It wasn't that—what are we talking about, maybe an order of \$70, \$80 a month, or something. I don't think that has much effect on it.

MR. GLICKSTEIN. Mrs. Parks, number 1, could you specify the location of the two Armbruster offices?

MRS. PARKS. Yes. One Armbruster office I visited is 8900 St. Charles Rock Road. The exact address is 8940. The other Armbruster office was 659 North New Ballas Road.

MR. GLICKSTEIN. Could you specify the dates of your calls?

MRS. PARKS. Yes. The first visit was on the 8th of July. The last one, the office on Ballas Road, was 23 July, 1969 in both instances.

MR. GLICKSTEIN. Did you go through any houses listed by Armbruster?

MRS. PARKS. No, I did not.

MR. GLICKSTEIN. Why not?

MRS. PARKS. I have to think about that because, I started to say, "Why should I?" They referred me to University City. I was interested in finding out where, you know, they would refer me as far as housing was concerned. I really wasn't interested in seeing what the house looked like that they referred me to.

If I may add something, too, this last visit to the Armbruster office where I was shown these two properties in University City, and the LESCO listing was checked, this is this multiple listing that goes on between the real estate companies and what have you, and there was other property shown listed other than what I had been told just 2 days prior to my visit, and I wasn't informed of this at the time.

MR. GLICKSTEIN. Did the company refuse to show you through any houses?

MRS. PARKS. I couldn't really say they refused because I didn't ask to see—let me at this point also, please, if I may—the first office that I visited, the one on St. Charles Rock Road, that agent did not ask my name or my phone number. Now, to me, from a salesman, this is definitely an intent that I really don't intend to contact you and don't care to because why would they let a prospective buyer walk out and just not care?

And the second time, I gave my name—I gave my name and my phone number and I wasn't called.

MR. GLICKSTEIN. The next question is: would you please give us the names of all persons with whom you spoke at any or all Armbruster offices?

MRS. PARKS. If I'm permitted to do that I—

MR. GLICKSTEIN. Yes, you are permitted to do that.

MRS. PARKS. The person on Ballas Road was Helen R. Steinmeyer, S-t-e-i-n-m-e-y-e-r, I suppose the pronunciation is. And at Armbruster—you will have to hold on just a moment.

MR. GLICKSTEIN. Go right ahead.

MRS. PARKS. Harroll, H-a-r-r-o-l-l. And in parenthesis was Bud, I mean in quotes and then Henson, H-e-n-s-o-n.

MR. GLICKSTEIN. That is the full list of names?

MRS. PARKS. Yes.

MR. GLICKSTEIN. Mrs. Epstein, did you list your property with the Armbruster Company?

MRS. EPSTEIN. No, I didn't. After my conversation with Mr. Faerber I said I wanted to share this conversation with my husband and I would then get in touch with him, but I did not.

MR. GLICKSTEIN. And the reason is because you wanted to share—

MRS. EPSTEIN. Because I really did not want to sell my house.

MR. GLICKSTEIN. Third question is: would you have told the truth if asked what was the concern about your neighborhood?



MRS. EPSTEIN. I probably would have tried to be evasive in my answer.

MR. GLICKSTEIN. Would you please give us the names of all persons with whom you spoke at any or all of the Armbruster Company offices?

MRS. EPSTEIN. Right. I spoke on July 7, 1969 with Arthur S. McNulty, that's M-c, capital N-u-l-t-y, at the 8940 St. Charles Rock Road office.

On July 8, 1969, I spoke with Gary R. Duckett, D-u-c-k-e-t-t at the 659 North New Ballas Road office.

Then on 18 December, 1969, I spoke with Walter F. Faerber, F-a-e-r-b-e-r-, president at the 8940 St. Charles Road office.

MR. GLICKSTEIN. That's the full list?

MRS. EPSTEIN. Right.

MR. GLICKSTEIN. Do you have any black neighbors where you presently reside?

MRS. EPSTEIN. Not as far as I know in the immediate area.

MR. GLICKSTEIN. Where did you reside prior to moving to your present house?

MRS. EPSTEIN. For a very short time in Olivette.

MR. GLICKSTEIN. How long in Olivette?

MRS. EPSTEIN. Ten months.

MR. GLICKSTEIN. And before that?

MRS. EPSTEIN. In Dayton, Ohio.

MR. GLICKSTEIN. Did you live in University City?

MRS. EPSTEIN. No.

MR. GLICKSTEIN. I believe that covers the questions that have been submitted, Madame Chairman, and might I say that Mr. Jones, for a lawyer, has very good handwriting.

COMMISSIONER FREEMAN. Chancellor Mitchell?

COMMISSIONER MITCHELL. Just one question I didn't hear the answer to, for my own notes.

Mrs. Parks, I think the question that I remember being confused about was: did you refuse or did the Realtor to whom you went refuse to show you any houses?

MRS. PARKS. Where is this, sir?

COMMISSIONER MITCHELL. Mr. Glickstein has the question. I'd rather have it asked as it was written.

MR. GLICKSTEIN. The question was: did they refuse to show you through? It was a series of questions. Did you go through any of the houses listed by Armbruster? And I believe your answer was "No".

MRS. PARKS. Did what?

MR. GLICKSTEIN. Did you go through any houses—

MRS. PARKS. No, I did not go through any houses.

MR. GLICKSTEIN.—listed by Armbruster. And if not, why not?

MRS. PARKS. Is that the one he's confusing?

MR. GLICKSTEIN. The next question is: did they refuse to show you through?

MRS. PARKS. I didn't ask to see any of them and they didn't offer to show me.

COMMISSIONER MITCHELL. Thank you.

MR. MUMBOWER. May I make a further statement about the printing order, please?

COMMISSIONER FREEMAN. Yes, you may.

MR. MUMBOWER. I'm very happy that we didn't get that order because the price my daughter gave them, we would have lost money on.

COMMISSIONER FREEMAN. I believe the witnesses can now be excused.

Mr. Staff Director, will you call the next witnesses?

MR. GLICKSTEIN. The next witnesses are Mr. Walter Faerber and Jerome Howe.

(Whereupon, Mr. Walter Faerber and Mr. Jerome L. Howe were sworn by Commissioner Freeman and testified as follows:)

**TESTIMONY OF MR. WALTER FAERBER, ST. JOHNS, MISSOURI AND  
MR. JEROME L. HOWE, BRENTWOOD, MISSOURI**

MR. GLICK. Mr. Faerber and Mr. Howe, would you both please state your names, addresses, and occupations?

MR. FAERBER. My name is Walter F. Faerber and my business address is 8940 St. Charles Road, and that's in the village of St. Johns. Do you wish my home address?

MR. GLICK. No, sir, that won't be necessary.

Mr. Howe?

MR. HOWE. My name is Jerome L. Howe, Jr., and my office address is 2202 South Brentwood Boulevard, in Brentwood.

MR. GLICK. Will Counsel please identify themselves for the record.

MR. JONES. My name is Robert C. Jones. I have offices at 130 South Bemiston Avenue in Clayton, Missouri, and I am the attorney for Mr. Walter Faerber. Do you need my home address?

MR. GLICK. No, that won't be necessary.

MR. MURPHY. My name is Samuel B. Murphy. I am a member of the firm of Cook, Murphy, Lance and Mayer. Our offices are at 611 Olive Street. I represent the Howe Realty Company and the St. Louis Real Estate Board of Metropolitan St. Louis.

MR. GLICK. Thank you. Can we begin with Mr. Faerber?

Mr. Faerber, how long have you been associated with the Armbruster Company?

MR. FAERBER. Since 1936.

MR. GLICK. And your present capacity is that of president?

MR. FAERBER. I am president of the John Armbruster Company.

MR. GLICK. Can you tell me how many agents are employed by the Armbruster Company?

MR. FAERBER. Our St. Charles office, including the sales personnel totals around 65 people. We have an office in Hazelwood where I would say the part-time and the full-time salesmen total about 20 people. And our Creve Coeur office is very new and I would judge our full-time and part-time personnel there is about 12 to 15 people.

MR. GLICK. In addition to agents, how many salaried persons does the company employ?

MR. FAERBER. I would say between 30 and 35.

MR. GLICK. And of all the number that you have quoted, both of agents and of salaried people, how many of these are black?

MR. FAERBER. None.

MR. GLICK. There are no black persons employed by Armbruster Company in any capacity?

MR. FAERBER. No, sir.

MR. GLICK. Mr. Faerber, approximately what percentage of the Armbruster Company's clientele is black?

MR. FAERBER. Our sales for this past year was between 4 and 5 percent of the total.

MR. GLICK. Four and 5 percent of the sales?

MR. FAERBER. That's right, and our total sales were approximately 850.

MR. GLICK. I see.

VICE CHAIRMAN HORN. What is the dollar volume on those sales?

MR. FAERBER. Around \$18 million.

MR. GLICK. When you say 4 or 5 percent, do you mean that in terms of purchasers and sellers or purchasers only?

MR. FAERBER. No, of sales. If there were 850 sales about 4 or 5 percent of those sales were to colored.

MR. GLICK. They were to black people?

MR. FAERBER. Yes.

MR. GLICK. I see.

Have you noticed any increase in, let us say, the last year or 18 months in the percentage of black clients that you have had?

MR. FAERBER. There has been a definite increase. I would say prior to '68 if we had—gee, it would be such a minute number, maybe 10 sales the previous year, maybe five the previous year so you can see there's a great difference in the last 12 months.

MR. GLICK. Why do you think this increase is incurred?

MR. FAERBER. Primarily I think our black sales in our local office which is in this area here, and we are on the fringe of the changing neighborhoods, and I am using Wellston to the east and Pagedale and University City to the south and southeast. And the folks—most of the folks that will come into our office are looking for property in our area. In other words, if they want to buy in Webster Groves they are certainly not coming into our office. So the people

that we get primarily are looking for property in our area and again they are people of limited means in most cases.

They have white-collar jobs or even less than that, and they can only afford a certain price for a house. And, therefore, University City has been brought up a great deal today. But we have to refer those people to that area because that's all they can afford.

MR. GLICK. Is University City the only area of low cost housing?

MR. FAERBER. No. As I mentioned, Pagedale and Wellston also is—I would say University City is an upgraded neighborhood compared with Pagedale and Wellston.

MR. GLICK. Would you include Overland in the area—

MR. FAERBER. I would say Overland and University City is comparable.

MR. GLICK. Have there been many black families moving into Overland?

MR. FAERBER. There has been. I don't know what percentage of our sales to black people have been made in our area but I would say that—I don't want to get into percentage. There hasn't been too many. In the Overland area I would suppose that right here there's not over maybe 20 to 30 families total that have moved into this area.

MR. GLICK. Twenty or 30 black families?

MR. FAERBER. That's right.

MR. GLICK. In Overland?

MR. FAERBER. Yes.

MR. GLICK. And have they all moved there recently?

MR. FAERBER. I may put it this way, to the west of here we have an all-colored subdivision called Elmwood Park and that is totally black, and to the north of our office is a city called Kinloch Park and that is totally black. There are no whites in that neighborhood.

MR. GLICK. Do you know what the total population of Overland is?

MR. FAERBER. When you say Overland, really you are referring to the Zip Code or mail area which includes this area in St. Johns, and I would say there probably is 30,000 people in the vicinity right here where we are meeting today in this area.

MR. GLICK. Your Overland area has about 30,000 people and you would say there are 20 to 30 black families in Overland?

MR. FAERBER. Well, now, I made this exception with these black subdivisions. They are all-black and I have no knowledge how many people live there in these particular subdivisions.

MR. GLICK. But you don't include those subdivisions within Overland, do you?

MR. FAERBER. Well, when I—that's why I say—when you say Overland, we are thinking of a post office rather than a town and I am not so sure that Elmwood Park isn't in the Overland Post Office.

I am assuming that, I don't know. Now, Kinloch Park is not in Overland, though.

VICE CHAIRMAN HORN. What are the streets that bound Elmwood Park? Do you know offhand?

MR. FAERBER. It's bounded on the north by Page Avenue, which is the street right here. And it is bounded on the south by the north boundaries of the town of Olivette.

VICE CHAIRMAN HORN. I see. This is this little unincorporated area, is it, within the county?

MR. FAERBER. Just west of here, yes.

VICE CHAIRMAN HORN. Yes, I am familiar with it.

MR. GLICK. Mr. Faerber, to your knowledge have there been large numbers of black families moving into the area called Frostwood?

MR. FAERBER. Yes, there has been a definite trend in that area.

MR. GLICK. Why do you think the trend has been toward Frostwood and University City, in your opinion as a man in the real estate business?

MR. FAERBER. I would say there's two reasons. One is that there are quite a number of black folks employed by McDonnell and I am sure by Ford, and Frostwood is perhaps 5 or 10 minutes by auto away from these two plants.

Your other question was that——

MR. GLICK. I referred to University City. But first I would like to ask you, are there other areas besides Frostwood that are within that close a commuting distance to the McDonnell and the Ford plants?

MR. FAERBER. Yes, but——

MR. GLICK. Are there other areas of comparable housing in addition to Frostwood?

MR. FAERBER. No, now in Frostwood the price range, these are all flat top buildings in most cases and no basements. They do have the three bedrooms and probably a bath, bath and a half, but the price range there would be between, say, \$15,000, \$18,500. These were houses all built at one time so the price should be the same.

MR. GLICK. Are there homes selling for \$15,000 to \$18,000 in Ferguson?

MR. FAERBER. Well, Ferguson, your question is general. Now, Ferguson, there are old areas and there are new subdivisions so I can't really answer that. There are houses selling in Ferguson for the same price, but it would be the older houses.

VICE CHAIRMAN HORN. Could we pinpoint the boundaries roughly of Frostwood at this point?

MR. FAERBER. Yes. Frostwood is bounded on the south by the Norfolk Railroad. It's bounded on the west by Graham Road. And north, I suppose would be the south boundaries of the city of Florissant.

And east, I can't give you any particular street. I would say there's maybe 200 homes in Frostwood, just to give you an idea of the area.

MR. GLICK. Are the homes in University City into which black people have moved also selling in the same price range, \$15,000 to \$18,000?

MR. FAERBER. The greater amount of houses are priced around that same price, say, \$15,000, \$17,500, \$18,500. Now, there's areas in University City that have more expensive homes but we very rarely get those for sale.

MR. GLICK. Why do you think so many black people have moved into University City?

MR. FAERBER. On account of economics. They only make so much. You see, about 90 percent of our sales are FHA and GI because of the financing. And these folks only make so much and, of course, they are qualified when they apply for a loan, they are qualified as to what they can pay. So when a customer comes in we have got to screen that person. There's no use sending him in an area of \$25,000 when he can only afford \$15,000. And just like there is a lot more poor people than there are wealthy people there are a lot more of the lower-priced houses in our area, in University City than elsewhere.

MR. GLICK. Well, isn't there housing for sale in the Overland-St. Johns area for \$15,000 and \$18,000, below \$20,000, let's say?

MR. FAERBER. Yes, there is.

MR. GLICK. But there has not been the large migration of black people into Overland-St. John area as there has been to University City?

MR. FAERBER. No.

MR. GLICK. Would you—

MR. FAERBER. I think the reason for that is there's not as many people wish to sell in the Overland area as they do in the University City area. I think a lot of folks in University City is panicked, they push the panic button, and I don't think that's the case in the Overland area.

MR. GLICK. You indicated your firm had something like 800 sales transactions last year?

MR. FAERBER. About 850 sales.

MR. GLICK. 850?

MR. FAERBER. Last year.

MR. GLICK. Would you have any idea, and I realize this is probably a hard question, how many of those sales took place in University City?

MR. FAERBER. No, because it is going to be a guess, but I would guess we have sold 50 or 60 homes perhaps over there. It seemed like a great deal—I really don't think it's been that many. It would be under 50, 40 or 30.

MR. GLICK. Would you by any chance recall or have knowledge of the race of the purchasers of the homes?

MR. FAERBER. No, because we have no markings on our folders, or anything. Our listings are not marked in any way. So unless you actually wanted to get the number you would have to go through 850 sales folders to determine if they were black or white and then you wouldn't know unless the person who either was the salesperson or the closing person would remember, because there's no marking.

MR. GLICK. Mr. Faerber, of the 850 transactions that your company concluded last year, would you recall how many of those were in the Overland-St. Johns area?

MR. FAERBER. Again it would be a guess but I would say it would be about the same as University City.

MR. GLICK. So, in other words, there isn't that much difference in the movement or rather the turnover in real estate in University City and Overland-St. Johns, yet there's a much higher percentage of black purchasers of homes in University City than in Overland-St. Johns and I think you have indicated that the price of the homes is relatively comparable.

MR. FAERBER. That's true.

MR. GLICK. So I again ask whether you have—would you want to venture an opinion as to why the black movement is to University City and less to this immediate area here?

MR. FAERBER. Well, again, I think it is just panic in a lot of cases. In most cases, I suppose. They just want to move. And it is not through scare tactics. It's their own feelings that they wish to go to other neighborhoods.

Now, I might mention this, that University City originally was, I guess, 75 or 80 percent Jewish, and if you will check Creve Coeur, I think you will find that many of these families in University City have moved to Creve Coeur, and they have to be sold to someone and we find that where the black have moved in it's hard to sell to white people.

MR. GLICK. Why is that?

MR. FAERBER. I think fear has something to do with it. The accounts in the paper, and the problems that you read about. Whether they are true or not, I think it's fear.

MR. GLICK. Fear of what, Mr. Faerber?

MR. FAERBER. Harm.

MR. GLICK. You mean it is fear, white people fear physical danger?

MR. FAERBER. That's right. At least, that is the reason given us. Usually when a house is listed, because we try to find out why a house is listed. There's usually a reason, and believe me, if there's something wrong with the house we try to steer away from it as far as the house itself, plumbing or anything like that, because it just creates a lot of problems. And we do try to find out why people

are listing their—they might be moving away to another job, another city.

MR. GLICK. Well, you mean you have received listings in which the owner has said: "We are moving because we are afraid, there are black people moving in"?

MR. FAERBER. There has been some cases, yes. I couldn't cite any because, you see, as the head of the firm I don't actually contact the sellers nor do I contact the buyers and I don't list any properties myself. And what I am saying here is purely hearsay that I get from the sales people themselves.

MR. GLICK. I understand that, but I would think that as you express these opinions, as a man at the head of the office, information would come to you from the various sources.

MR. FAERBER. Yes.

MR. GLICK. I want to ask you, you indicate that it's hard to sell white people in changing areas. Have salesmen on your staff tried, to your knowledge?

MR. FAERBER. We try to sell any property we have because our duty is to the seller who pays us a commission and whether the person is black or he is white or whatever color he is, he's in our office to buy a place and we are trying to fit his income with what he wants in a certain area, and whether the person be white, black, or they mentioned Mexican here, if that's all they can afford that is where we are going to show him houses, regardless.

COMMISSIONER FREEMAN. Mr. Faerber, you have on several occasions mentioned income. When a person comes into your office, will you tell us what is the process if a person would come in and ask to see a house that he or she had seen, would you ask the income before you—

MR. FAERBER. No, in that case, if they definitely ask for a house I am sure our sales people would show them the house. But in the process of showing I am sure they would ask the person questions, whether the salesman is wasting their time or not, because if they have no money or not a job, that they can afford that house, why they are not going to spin their wheels. They are wasting their gasoline and they can be working on another deal where they might make a sale. So I am sure that the average salesperson will try to screen a customer, both to help the customer and himself because there's no use dragging a customer around where he can't buy.

COMMISSIONER FREEMAN. Do you have any information as to how many cases you screened before you made a showing?

MR. FAERBER. I don't, because I mentioned I don't sell, but I am assuming that a good salesman would certainly try to find out if a person can afford a house before he would show it to him. He may not, though, he may just take him out.

I think each person as an individual has his own way of handling



customers. And I am sure that they use different systems. Methods they find are good where it may not be good for another person.

MR. GLICK. Mr. Faerber, you were here at the Commission hearing when Mr. Mumbower testified this morning?

MR. FAERBER. Yes.

MR. GLICK. And I believe you were here when your attorney's questions were submitted to him?

MR. FAERBER. Yes.

MR. GLICK. I would like to ask you specifically about the incident.

He testified that one of your office managers threatened him with some kind of economic reprisals because he showed one of your listings to a black family without the Armbruster Company's knowledge. Would you please comment on that?

MR. FAERBER. Before this morning I don't recall ever seeing or meeting Mr. Mumbower. This is my first time that I've seen the man. And unless something gets serious I never hear about it because down the line somebody's got a job, he is supposed to take care of complaints. And I didn't hear until recently about it.

When I checked into it, and again I am repeating, it is hearsay, that I think if the Commission would have someone check into the matter, it is a matter of personalities, as I understand. I know it was brought up about these cards. But I believe a certain sum, I'm guessing, about \$40 was spent by Mr. Mumbower or his daughter, as he mentioned, preparing some sort of a card to be presented to our manager, and our manager felt like he didn't like it, or he turned the order down, so Mr. Mumbower had spent \$40 or \$45 and it was down the drain. And this I am sure caused some ill will between the two.

And I don't want to degrade Mr. Mumbower at all because I don't know the gentleman but you asked me a question, how long have we been in business? We've been in business since 1933 and here a man has been in business a year or two. I don't know how many salespeople he has, but a person like that has to prey on the large companies for their listings.

We don't have multiple listings. Our listings are our property and every time we share a listing we are giving 45 percent of our commission away. And the small man just can't get the listings that we can with 40 salespeople. So it is natural that they will try to sell our listings. It's a matter of making a living. And from what I heard here of testimony, the man was given a list of houses. In other words, we didn't refuse the man, to give him addresses of our listings. In other words, we were trying to help the man. And I don't—the question wasn't asked, if his salesperson was asked if his client was black or white. I don't think that was asked. And so the information was given freely and the property was shown and, as I understand it, the complaint came through the owner who

called our office and said: "Say, somebody was out here with some black people, what gives?"

And I believe our sales manager contacted Mr. Mumbower and they had heated words. I think Mr. Mumbower probably will testify to that, and I know our man, and I don't know if there was any name calling, but I think this particular complaint boils down to a personal thing rather than anything else because the property was shown. There was no contract made and there was no question as to color.

MR. GLICK. I also would like to note to you that we heard testimony this morning, which you heard, that the Armbruster Company uses steering—although it wasn't described in those terms, but the company steers black people to certain residential areas which are all-black or changing, and that you discourage white people, that is the company discourages white people from buying in these areas. Would you care to respond to these charges?

MR. FAERBER. It could have happened. Again, I say when you have 40 people, you tell them what they have to do and what they don't have to do, but you don't control those men and what they say, or salespeople, what they tell the customer.

You can only hope that they are doing as you tell them to and expect them to do. I'm trying to think back on your original question there about—again, I repeat myself so many times about this steering, I think it's just a matter of economics that a person is steered to a certain neighborhood whether he's black or white.

MR. GLICK. But you are not really certain whether or not the testimony we heard this morning is true or not true since you are not really sure whether your salesmen do do that?

MR. JONES. May I interject just a moment? I assume you are talking about the testimony and not relating to Mr. Faerber directly?

MR. GLICK. No, no, not to him directly. I'm referring to the company.

MR. FAERBER. No, because as you know, there were no names or charges made, specific charges so there's no way that I could have checked that to answer that other than guess at it.

MR. GLICK. Then we also heard testimony, and this is with respect to you personally, Mr. Faerber, that you had advised an individual with respect to ways in which she and other white people could avoid selling their homes to black people.

MR. FAERBER. Yes. I'd like to elaborate on that a little bit.

It just happened that George Bradley had been in the day before to interview me and I received this call from a lady over the phone. As I recall, it was in the morning, and I had an appointment at 11. She called and asked if she could have an interview or appointment with me and I told her, yes, come on in, and I did not ask her name. I just told her to come in. But I did advise her that

I had to go away at 11 o'clock. So it happened it was Mrs. Epstein that came in. And I'm sure she would admit I was very cordial with her. And she sat at my desk and said that she would like to list her house and because of talking to Mr. Bradley the day before I just sensed she was trying to put me in the trick bag.

Now when she came in she told me that they were moving, they had some very nice neighbors on either side. Now, I don't know if she used the term "black" or not but she rather—at least to me, she inferred that she didn't want to hurt her neighbors and that she would like to sell to white people only because of these neighbors, and that she was moving out of town, that her husband evidently had a job elsewhere. And she wanted to know if we would take the listing, if we would only show it to white people and we would only sell it to white people.

And if Mrs. Epstein will recall, I told her that we had to sell it to white or black. If her feelings were that she didn't want a "For Sale" sign in front, because most of our calls, regardless of all the newspaper advertising you see, we get our calls off the signs. But if people prefer not having signs we certainly won't put them up against their wishes. So that I told her if her feeling was that way about doing certain things for her neighbors that we wouldn't put a "For Sale" sign up and if she didn't want to sell to colored, if that was her wishes, she could certainly—when we call her we would mention that we have some black folks that wish to see her house and then if she wanted to make excuses she certainly could make them. That would be up to her if she felt that way.

And I also—I'm sure if you will check with Mrs. Epstein, that I advised her that she shouldn't be gullible, that she may go into certain offices that are very anxious to get listings and they will make promises and they will not sell to white or black, and I said: "Don't be misled because they are duty bound to sell."

Now, I did not even ask Mrs. Epstein her phone number or her house address, if she will recall. I never asked that, because I felt she was trying me. And I did ask her husband's first name and, as I recall, she said Arnold. Now, I may be wrong, Arnold, or Arthur. And her last words said were, she thanked me and that she would like to talk it over with her husband and if they wanted to list she would call me. So I didn't even ask her phone number, and I think if you will get her back she will have to admit that.

We are—I hate to use the word—Nazi tactics, but I mentioned to the Commission the other day about being tried by Percy Green, that our Hazelwood office received a call—I'm getting a little mad here, let me slow down a minute—we received a call at the Hazelwood office and someone wished to look at a certain house but they wanted to be met at this house. There was no question, there was no question asked, black or white.

When our man went over there, here are three black people were there, a woman and two men. Our man showed the property and when they came out, why the one man said: "Do you know who I am?" And our salesman said: "No, I don't know who you are." He said: "I am Percy Green, and we were just trying you." And I have since talked to our salesman if there was any words, and there were no words. And I am sure this will be borne out if you want to check it. So our man went on his way.

But it's not only these tactics, but here our man might drive several miles, he could have made a sale elsewhere, or had another appointment which he breaks. He's spending his money. And again I mention, our salesmen are on commission only. There's no drawing accounts, and they have to work for what they get. And it seems to me that this procedure, this checking and checking, sure, we're on our guard. It's getting quite like—if you know that there is a radar trap down the street you are going to slow down. So we're on our guard constantly so I can't see why all of these charges. We want to do the right thing and our men know that. They are advised accordingly, and —

MR. GLICK. Thank you, Mr. Faerber. We are beginning to have a time problem. I'd like to ask Mr. Howe a few questions.

COMMISSIONER RUIZ. May I ask a question of Mr. Faerber, please?

MR. GLICK. Yes, sir.

COMMISSIONER RUIZ. Mr. Faerber, you used the word, "Mexican". What percentage of your inquiries for housing are from Mexicans or Mexican Americans, sir?

MR. FAERBER. I doubt if we had one call, sir. We are in an area that I don't think that they are locating in and I don't recall that the—the reason, I guess, I don't know, I see people come and go, and you will find folks of the black race that are light colored, and gee, you wouldn't—I don't know the races that well. I wouldn't know if they were Mexican or colored folks.

COMMISSIONER RUIZ. Well, you mentioned the word, "Mexican" and that's the reason I asked.

MR. FAERBER. Well, the reason I mentioned it, because it was brought up here and the question was asked so I just put it in.

COMMISSIONER RUIZ. Have you referred any of these people that you referred to as Mexicans to the Overland or St. Johns area?

MR. FAERBER. As I say, I don't know that we made even one sale or had any contact by Mexican.

COMMISSIONER RUIZ. Is there a particular area in St. Louis or St. Louis County where Mexican or Mexican Americans reside, sir?

MR. FAERBER. Honestly, sir, I don't know. I'm not aware of any particular section. It's never been called to my attention.

COMMISSIONER RUIZ. No further questions.

MR. GLICK. Mr. Howe?

MR. JONES. Madam Chairman, may I make a point? I understand under Rule 702.7(a) I have a right to examine my client. Am I to do it now or wait until Mr. Glick finishes with —

MR. GLICK. Could you reserve your examination?

MR. JONES. Yes, I just didn't want to waive my rights. I will be perfectly happy to reserve.

MR. GLICK. Thank you.

MR. GLICK. Mr. Howe, when did you establish your real estate agency?

MR. HOWE. The agency was established in 1935 and I became associated with the company May 1, 1948.

MR. GLICK. And you are now the president of the company?

MR. HOWE. I am the president.

MR. GLICK. In what area are most of your transactions?

MR. HOWE. Well, I frankly hate to admit it, but it is—our operations are confined somewhat to a small area. Our office is not a large office. I would like to think that it is a very effective office but we primarily concentrate for residential purposes in the central west St. Louis County area.

First of all, that's where our office is located and, secondly, there is some question in my mind whether you can service a listing, for example, in Black Jack.

MR. GLICK. When you say, "central west St. Louis County," would you name some of the cities? Do you have particular cities in mind?

MR. HOWE. Well, Richmond Heights, Maplewood, Clayton, Brentwood, Webster Groves, Kirkwood, Glendale, Rock Hill.

MR. GLICK. Thank you.

How many salesmen and salaried people are employed by the Howe Real Estate?

MR. HOWE. I have four full-time residential salespeople. I have a total of 13 employees.

MR. GLICK. Including your clerical staff?

MR. HOWE. That is correct.

MR. GLICK. How many of these persons are black?

MR. HOWE. One.

MR. GLICK. In what capacity is he employed? Or she?

MR. HOWE. He is employed in our property management department.

MR. GLICK. What function does he perform?

MR. HOWE. Well, he performs some very valuable functions. He has the responsibility for the welfare, the condition of a number of commercial type buildings.

COMMISSIONER FREEMAN. Does that mean he's a—performs maintenance work?

MR. HOWE. I'd rather call him a custodian because he is a custodian.

MR. GLICK. Mr. Howe —

MR. HOWE. I might mention the fact that he's been an employee since the beginning of the business.

MR. GLICK. Mr. Howe, you were here this morning when persons testified with respect to real estate practices and I think you probably heard the testimony of the previous witness with respect to what is colloquially called "steering" and the testimony was that your agency engages in such practices of steering on a racial basis. Would you comment on that, please?

MR. HOWE. Well, as I understand it, the testimony that was given here this morning as well as mine is under oath. And under oath I would say that our office does not employ any steering tactics. Does that answer your question?

MR. GLICK. Yes.

We have also heard testimony this morning that you advised an individual with respect to ways in which she and other white persons could avoid selling their homes to black persons. Would you comment on that, please?

MR. HOWE. Yes. I'd like to comment on that statement. I'd comment in this fashion, that the statement is completely incorrect. The correct reply was that I am sure there are ways that people can dissuade prospective Negro buyers from purchasing in certain areas. I did not say and have never said that I had employed this tactic.

MR. GLICK. Are you saying then that the conversation described this morning did not take place or that you did not say what was attributed to you?

MR. HOWE. I'm saying that the conversation that took place this morning is completely false and unfounded.

MR. GLICK. The description of the conversation is false and unfounded?

MR. HOWE. That's correct.

MR. GLICK. But the conversation did take place?

MR. HOWE. The conversation did take place.

MR. GLICK. Well, in the course of this conversation, did you indicate to the individual who testified that there were ways in which black people could be prevented from buying homes in certain areas?

MR. HOWE. I indicated that I was sure that there were ways but I did not state that I employed any of these ways.

MR. GLICK. Did you name any of the ways?

MR. HOWE. Not that I am aware of.

MR. GLICK. Mr. Howe, there has been testimony this morning, and I think it's pretty factually known that there's been a large increase in the black population in University City in the last few years. Would you offer an opinion as to why this has occurred?

MR. HOWE. Well, I—even though I have been in the business for some 22 years I would have to say that I am humble enough that I

don't consider myself as an expert to the nth degree. I think my own personal attitude is that probably one of the reasons why the migration has been to University City is because of the convenience of transportation. If you will check those areas which the Negro citizens of our community have located in, I think you will find that they very closely follow areas of transportation.

There are some areas, in fact, even the area in which I live, that if you attempted to go downtown by public transportation you would be fortunate to do it inside of an hour or an hour and 20 minutes, where the reverse of that situation is the case in University City.

MR. GLICK. Well, there are other areas beside University City in which there is available public transportation, are there not?

MR. HOWE. I would say perhaps not to the degree of convenience that you find in University City.

MR. GLICK. Are you suggesting that black people don't own private transportation?

MR. HOWE. No, I'm not suggesting that at all.

MR. GLICK. I just have one final question, Mr. Howe, and then the attorneys may examine if they wish.

Has your firm sold any homes to your knowledge to black persons in what are presently all-white areas?

MR. HOWE. Yes, Mr. Glick, we have, and the last—I estimate now—obviously, there's been a great deal of preparation that has preceded this hearing and it's a little difficult to be able to give answers inside of several seconds to questions that I am sure have been prepared, but I would say as an estimate that we have in the last year and a half handled some 20 sales to Negro buyers. A number of these sales have been where the purchaser, the Negro purchaser, was the first Negro in that area.

And I would say further, not that I am trying to paint myself as a holier than thou type of person, but I do this, I have done it in a number of instances irrespective of the age, the color, or the nationality, I have in a number of instances with Negro buyers where they were a little bit short as far as coming up with their closing proceeds, arranged to go ahead and advance this for them on a very short term basis until they could pay me back, which they have done.

MR. GLICK. I have no further questions.

COMMISSIONER FREEMAN. The attorneys may inquire.

MR. JONES. Mr. Faerber, I believe you have testified that you had a percentage of sales or purchases by black customers. Do you have any working relations or have you worked with any black real estate brokers or real estate persons?

MR. FAERBER. Yes, we have. Now, we very, very rarely list anything in the city proper, St. Louis, and invariably if we have a chance to get a listing it's somebody's father and mother that lives

in a poor neighborhood and they want to sell so their kids will come to us, and we are sort of obligated and we will take the listing and tell them we will try to do what we can.

Now, we will not go—we tell these people this, that we will not inspect the property but we have certain folks, dealers or agents in the city, and we call them speculators. They don't usually belong to our real estate board so they don't have the title of Realtor, but we will call the speculators that we know. They will go and look at their property and make an offer.

Now, if the offer isn't what they expect or want, they shouldn't take it, they are not duty bound to take it. And we leave anything in the city on that basis.

Most of the property in the areas where we might get a listing is property that we have no buyers for at all. Those kind of people never come in our office.

MR. JONES. Let me ask you this, Mr. Faerber, you are aware of the fair housing law, are you not?

MR. FAERBER. Very much so.

MR. JONES. As president of the John H. Armbruster Company, have you taken any steps to notify your employees of the requirements thereunder?

MR. FAERBER. Not only once but continuously because I don't want to use the word, being harassed, but we have a sales manager at each of our branches, in our main office we have a general sales manager. And, believe me, they have been instructed personally and they have been instructed to tell all of their sales people and make them aware of the law, and I am sure they have, definitely.

MR. JONES. Do you attempt personally to oversee this part of the business? I don't mean from a day-to-day basis, but do you continually check with your employees and remind them, or not?

MR. FAERBER. We remind them from time to time because we all go to conventions and it's the same old stuff, but it's stuff we should be reminded of. And it's the same case here. You've got to tell them over and over again.

MR. JONES. Have you ever had a complaint filed against you with the Department of Housing and Urban Development under the fair housing law?

MR. FAERBER. We had actually one. I don't know if you'd call it a complaint or citation, and I brought the letter along today where we were cleared in that case.

MR. JONES. Was that by Mrs. Arthur L. Allen, A-l-l-e-n?

MR. FAERBER. Yes.

MR. JONES. Madam Chairman, I have the letter here. Is it proper to have it marked as an exhibit?

COMMISSIONER FREEMAN. It will be received.

(Whereupon, the document referred to was marked Exhibit No.



19 and received in evidence.)

MR. FAERBER. The gentleman who handled this complaint, I believe his first name was John Eubanks, and he was out of Dallas.

MR. JONES. May I have permission to have Mr. Faerber read the letter? It's only two paragraphs, Madam Chairman, if that's all right?

COMMISSIONER FREEMAN. Yes, you may read it.

MR. JONES. Would you read it please, Walter?

MR. FAERBER. I would like to suggest that the next panel, you have a lovely pot of water here, but no glasses.

This is addressed to me as president of the Armbruster Company and it—

This letter is to inform you that we have examined the facts of the complaint filed against you under the Fair Housing Law by Mrs. Arthur L. Allen on May 7, 1969 and we have concluded that further action in the case would be inappropriate for the following reasons:

Investigation did not support the complainant's charge of discrimination. We have therefore determined not to seek a resolution of the issues raised in this complaint. You are advised, however, that if the complainant considers our determination to be incorrect, he has the right to seek court relief within 30 days of the date of this letter under Section 810 of the Federal Fair Housing Law.

You should know that he may also have the right to bring court action under Section 812 of the law or under Civil Rights Act of 1966 as interpreted by the Supreme Court in the case of *Jones versus Mayer*.

We thank you for your cooperation.

Now, this is the only complaint that actually came across my desk and it was handled.

MR. JONES. I believe this is dated August 27, 1969. Am I correct, Mr. Faerber?

MR. FAERBER. Yes, it is dated August 27, 1969.

MR. JONES. To your knowledge has any action been taken by the person on the second paragraph of that letter since that date to this date?

MR. FAERBER. No, we have not heard anything further on it.

MR. JONES. You mentioned that you had your visit from Mrs. Epstein the day after Mr. Bradley appeared in your office. I assume you are referring to Mr. George C. Bradley, who is the Assistant General Counsel for the Civil Rights Commission. Am I correct?

MR. FAERBER. That's correct.

MR. JONES. Has your office or any of your offices taken any economic reprisal against Mr. Mumbower, as he testified you, I believe, threatened to do?

MR. FAERBER. We certainly haven't. As I mentioned about our listings, certainly we could say: "Well, listen, brother, you don't have to call our office for listings" but I don't think that's been the case.

MR. JONES. If he called today you would give him a listing, I assume, or a list of listings?

MR. FAERBER. You are putting me in a trick bag, but—

MR. JONES. You, personally, I am talking about, I am not talking about the gentleman——

COMMISSIONER FREEMAN. Will the hearing be in order?

MR. JONES. I am talking about you personally, Mr. Faerber.

MR. FAERBER. I have nothing against Mr. Mumbower and, as I say, it's a personal matter and I'm sure if his office calls or any of his men, we give out information.

MR. JONES. You are vouching for the state of feeling between your manager and Mr. Mumbower which you say is related to some other matter? I understand that.

MR. FAERBER. That's right. I think both people, they were very heated, and they said things probably they wish they hadn't said today. I'd forget about it.

MR. JONES. That's all the questions I have, Madam Chairman.

MR. MURPHY. I'd like to ask—could I ask Mr. Howe a question or two?

COMMISSIONER FREEMAN. Yes, you may.

MR. MURPHY. Mr. Howe, in connection with your real estate brokerage business you use what is known as a standard form listing contract, I believe?

MR. HOWE. I do.

MR. MURPHY. And is this contract the one that is offered to prospective sellers of homes when you can get a listing from them?

MR. HOWE. Yes, it is.

MR. MURPHY. Would you read for the Commission the second last sentence in that contract?

MR. HOWE. This is a uniform listing contract approved by counsel for the Real Estate Board, Metropolitan St. Louis, and the last sentence in that contract states:

This property is offered without respect to race, color, creed or national origin.

MR. MURPHY. I would like to introduce——

COMMISSIONER RUIZ. Mrs. Chairman, could that entire contract be submitted and received in evidence?

MR. MURPHY. Yes, sir, I intend to offer the entire contract in evidence.

Is it your understanding, Mr. Howe, that this standard form contract is almost exclusively in use by all members of the Metropolitan St. Louis Real Estate Board at the present time?

MR. HOWE. Yes, it is.

MR. MURPHY. I would like to offer that.

COMMISSIONER FREEMAN. It will be received.

(Whereupon, the document referred to was marked Exhibit No. 20 and received in evidence.)

MR. MURPHY. Will there be any other questions to Mr. Howe, or will this conclude it?

COMMISSIONER FREEMAN. I have a question for Mr. Howe.

MR. MURPHY. I meant staff, of course, I didn't mean to preclude the Chairman.

MR. GLICK. There will be no further staff questions.

COMMISSIONER FREEMAN. Mr. Howe, will you give the number of members of the Metropolitan Real Estate Board?

MR. HOWE. Mrs. Freeman, it's rather difficult to pinpoint it exactly because the number is changing weekly. But I would say that the total number of members, which would include brokers and their sales associates, would well exceed 4,000 members. Probably a little in excess of 4,400.

COMMISSIONER FREEMAN. Would you give the number that are black?

MR. HOWE. Again, not having the opportunity to prepare for some of these questions, I cannot deal in specifics, but I would say at the present time that we have approximately half a dozen Negro brokers, and how many sales associates they have with them I do not know.

I might say this, that our board, if I may get in a little commercial, is probably one of the most active real estate boards throughout the Nation. Just recently our educational committee received approval from the Missouri Real Estate Commission for their salesman's license training course which is offered as a prerequisite to take the salesman's license exam. So we have many forward, progressive programs that are very inviting and very attractive to prospective members.

We have—I don't know how many membership applications in process at the present time, but if you will let me read you a few names that I am sure you will be familiar with. One is T. H. Mayberry. Secondly is Samuel Dodds, George Singleton, E. W. Wood, Mr. H. Louis from Missouri Realty Company, Colonel Clifton Gates, and Mrs. Beulah Hughes.

Now, these individuals are in various processes of applying for membership to our membership committee to be heard before our board.

COMMISSIONER FREEMAN. I believe you read six names. They are in the process? What is the process for becoming a member of the real estate board?

MR. HOWE. The prospective member usually will contact either a present member of the board or they will phone the board's offices which are located at 717 Chestnut Street, express their interest in becoming a member of the Real Estate Board of Metropolitan St. Louis, and ask how they can go about this.

At that time they are advised that it is necessary for them to complete an application which goes into a great deal of depth with regard to the individual, his business operation, the type of educa-

tion that he has, and his background. And this is sent back to the board whereupon it is referred to the membership committee who hears the applicant in person and acts upon it accordingly.

COMMISSIONER FREEMAN. You said that you did not have the numbers. Could you get this information and file it with the Commission? (The information referred to appears in Exhibit No. 50.)

MR. HOWE. I don't see where that would be any problem. I might say that myself, along with one other individual, were primarily responsible for the admittance of our first Negro member to the board and a man who we are very proud to have as a member.

COMMISSIONER FREEMAN. Do you recall the date of that first admission?

MR. HOWE. I would say that it occurred toward the end of 1968, or a little bit earlier, possibly. I would have to check the exact date.

COMMISSIONER FREEMAN. Chancellor Mitchell, do you have any questions?

COMMISSIONER MITCHELL. I have a question for Mr. Faerber.

You said earlier, Mr. Faerber, that your sales last year to black buyers were of a magnitude of 4 to 5 percent of your business?

MR. FAERBER. That's right, this past year.

COMMISSIONER MITCHELL. Were they sales to black people by black people?

MR. FAERBER. No.

COMMISSIONER MITCHELL. By white people?

MR. FAERBER. I would say in most cases the areas that they move into were by white people. Now, there may be exceptions because I go with the men every Tuesday and inspect these properties and we have gone through listings where the people are black people. Now, whether those were sold I don't know because I have no reason to follow that through.

COMMISSIONER MITCHELL. I was curious—interested in your comment about your listings being your own—

MR. FAERBER. That's right.

COMMISSIONER MITCHELL. Are your listings all exclusive listings?

MR. FAERBER. All exclusive.

COMMISSIONER MITCHELL. Doesn't an exclusive listing have a limitation of time after which it can—

MR. FAERBER. Yes, it's whatever we can get the seller to give us. Now, we try to get a minimum of 60 days because by the time you set up your advertising program and so on, it takes a little time, and when you have four offices you've got to get the information to the four offices, you've got to look at the property, so we will take a 30-day if we have to, if we think that it's something very salable, but we try to insist on a minimum of 60 days. And, of course, I know we are only talking about residential but in vacant listings we try to get 6 months or a year.

COMMISSIONER MITCHELL. After 60 days then those listings are generally available to other firms and then you share commissions with them?

MR. FAERBER. That's right. Of course, if we have shown the property and have advertised it and the owners realize we've tried, we will certainly go back and try to relist it at a reduced price because today, prior to this change in financing, anything listed right will sell within 30 days.

COMMISSIONER MITCHELL. Mr. Faerber, maybe Mr. Howe will want to comment on this, too, you have both been in this business for a long time. Mr. Howe, 1935?

MR. HOWE. Yes.

COMMISSIONER MITCHELL. How long, Mr. Faerber, have you been a Realtor?

MR. FAERBER. 1936.

COMMISSIONER MITCHELL. 1936. Well, you both started your businesses in the depression, essentially, before World War II, when problems like this were probably remote and rarely came up. And in the years from then to now you have seen this massive change in people's attitudes about housing, you have seen legislation, and you have seen laws that indicate clearly that it's the general intent of the American people expressed through their legislators to move toward freedom of opportunity in terms of where people want to live.

Now, recognize that this is an—the impact of this is felt first by the Realtor. Some way it seems to many people it's all his fault, and, of course, the Realtor, you have quite properly said is to some extent at the mercy of those who will sell and those who will buy. Yet I wonder what—how you feel about where all this is going to end.

Is it better to have an integrated community—is there a route and are we on it toward a stable, integrated housing society? Or do you think it is better for people to live in isolation by race or religion or color or creed? If our aspirations in this field are going to be achieved it's going to fundamentally be because the professionals want to cooperate in achieving them.

Now, you can't chase Realtors up and down every hillside with Federal agents and compliance inspectors. Fundamentally your business is going to have to change if this country's desires, expressed through its laws for free opportunities in housing for everyone, are going to be realized.

How do you feel about that?

MR. FAERBER. I think at the beginning there was a lot of resentment. There was a resentment that we would get called—I didn't personally get them, let me first say, but maybe the salesperson or the owner who sold to black in an all-white neighborhood would get calls threatening their lives, and things like that.

And today I don't think there's any of that. People have become educated and accustomed to this change, and it's not easy, I will tell you. I don't think that you are going to find the problems with the young folks, but as people have—oh, let's say they are 60 or 70 years old, and I am going to use the Wellston area which always has been rather a poor area, but these people never made much and they finally paid off these little houses. Now, these are maybe two-three-bedrooms, or two-bedroom houses, and it was a case where it was a small house, and over the years the fellow would do it himself, would add a room or a bath, but it didn't make the neighborhood any better. It is still a poor neighborhood. And today, of course, the black people are buying there on account of economics.

But these old people, they don't change, they are kind of set in their ways. I don't know if you've got any elderly parents, I have them, and you don't change the old folks. They are set in their way of life and their feelings, even against the change in the Catholic Church, and I am Catholic, and my mother can't understand this change. And we are going to go through that period until we will just say—I'm not young, but let's say, we are all about the same age again and the older folks have since passed away and that feeling goes with them. It's a trend and I think you are just going to have to work it out and feel your way in the thing.

COMMISSIONER MITCHELL. Mr. Howe?

MR. HOWE. Well, I don't think, Commissioner Mitchell, that I can add too much in the way of comment to Mr. Faerber's statement. I, personally, think it's a matter of education, when you think in terms of education, you think in terms of generations.

COMMISSIONER MITCHELL. Do you think integration is desirable in housing?

MR. HOWE. I think this —

MR. MURPHY. I would like to object to that question, Mr. Commissioner, because if he were to adopt a position that it wasn't desirable, under the State and the Federal law I think he could be charged with the commission of a felony. I really think —

COMMISSIONER MITCHELL. I will ask him another question.

Do you think your business would be hurt if it were known that you were selling large quantities of housing to black people?

MR. HOWE. Let me say this, it has not been harmed to date. And I am sure there are many people that know that we have engaged in the sale of properties to Negro purchasers.

COMMISSIONER MITCHELL. Thank you.

COMMISSIONER FREEMAN. Before we proceed, I would like to announce for the public, for those of you who had planned to have lunch in the cafeteria, that the cafeteria will close at 1 o'clock and, although our schedule requires that we continue, for your convenience we are announcing that the cafeteria will close at 1 o'clock

so that those of you who may wish to have lunch here in this building in the cafeteria may proceed out the rear door and up the stairs to the cafeteria directly above us. If you wish lunch you will have to get it before 1 o'clock.

The Commission hearing will continue. Dr. Horn, will you proceed.

VICE CHAIRMAN HORN. Pursuing Chancellor Mitchell's question, which I think is the fundamental question that needs an answer by all of us citizens, no matter what community we live in, let me ask you, Mr. Howe, as far as the St. Louis Real Estate Board, have they developed any educational activities for the members of this board in terms of equal opportunity in housing, the problems of housing, how to develop an integrated community, and avoid block busting? Not merely forms on the law and the fact that you've got to obey it, but a positive program which the Congress and four Presidents of the United States starting with President Eisenhower have committed themselves to? Is any educational activity like this taking place?

MR. HOWE. Let me answer your question in this way. I heard a giggle here in the audience when I replied that I thought the first Negro broker was admitted in 1968. This board is an old board and it has been established a long time but we are in a new era and I think that the people who are active in our board today realize this. They work toward this. I think there is a sincere effort on the part of all of our membership to try to work toward solving some of the problems that are related to and come as an outgrowth of the integration movement.

We have advised our members repeatedly as to their obligations and unless someone just chose not to read them or someone chooses not to listen, I feel that they have had sufficient education to the current date in this respect.

VICE CHAIRMAN HORN. But do you feel that the real estate profession as such has an obligation as residents of a community to affirmatively conduct a program because you also live here and, obviously, when you have situations of rapid population movement, dilapidated housing, what happens here obviously affects you even if you live in the suburbs. What happens here affects me as a Californian because the country can't afford explosions or injustice in any part of the Nation. Now, do you feel any obligation as a professional?

MR. HOWE. Yes, I do, and we feel an obligation, but it was slightly touched on here a moment ago. We feel that the total obligation is certainly not that of the real estate profession. Quite frankly, in my attending various meetings, not only locally but around the country, the concensus of opinion seems to be on the part of the average professional Realtor that they are getting sick and tired of society dumping all of the problems of the integration movement into the laps of the real estate broker, and I for one have that attitude.

I feel that the obligation goes further than any one particular group. I think you have too many people wearing two hats. I think that you need a total dedication of all members of society, not only the real estate profession.

VICE CHAIRMAN HORN. Well, I think we would all agree with that statement, but we have to start somewhere in various parts of society.

Now, let's move to another point.

Has the Department of Housing and Urban Development or any of its constituent agencies—what sort of information have you received from them regarding the provisions of the Fair Housing Act, the real estate profession's responsibilities under that act?

MR. HOWE. If you are talking about individual mailings directed particularly to my office, I have received none from the Housing and Urban Development Department.

VICE CHAIRMAN HORN. And would that be also true of you, Mr. Faerber?

MR. FAERBER. Yes, I think the information that we have received previously has been through the real estate board and they've certainly made an effort to advise us, but I don't think that I received anything other than that.

VICE CHAIRMAN HORN. Now, I would like to ask both of you gentlemen, what percent of your business involves mortgages insured by the Federal Government, roughly in terms of your sales?

MR. FAERBER. I'll answer that first.

Up to the first of the year, I think I mentioned it previously, 90 percent of our sales were financed under FHA or VA loans because most of our clients just don't have the cash to assume loans nor to pay all cash.

VICE CHAIRMAN HORN. Mr. Howe, what about your business?

MR. HOWE. It's a difficult question to answer. Of course, this fluctuates from year to year. I mean, it might be 40 percent in a given years' period and it could be as high as 60 percent.

VICE CHAIRMAN HORN. I take it, this would indicate that generally you are dealing with a higher level of housing sales?

MR. HOWE. No, it indicates that in our total sales we have a large volume of industrial and commercial property sales and you are not involved in Government financing in those instances.

VICE CHAIRMAN HORN. Have either of you gentlemen ever had the situation where, in the case of the examples where you have sold to a person who is black or a member of another minority group, where you had agreed to it but the financing had not been made available by private financial institutions in the area, and, therefore, the sale fell through?

MR. FAERBER. In my case, or our case, the only time that—I will



use the word, black person, was turned down was purely on account of credit. No other reason.

VICE CHAIRMAN HORN. Turned down by a bank?

MR. FAERBER. That's right. In other words, we have to go to a Federal Building and Loan or a mortgage broker who places his loans through insurance companies. And in these cases, these mortgage lenders take their own applications and they screen our buyers. We don't screen them. We try to screen them because if there is no hope there's no use wasting anybody's time.

VICE CHAIRMAN HORN. Based on the information that you had available, the man's credit, did you feel this was a justifiable decision?

MR. FAERBER. That's right, and we turn them over to the mortgage broker who will fill out the property forms and I am sure that they will use some credit house, like Commercial Credit, for further information and on that information they either make or reject the loan, but color has nothing to do with it because these loans are sold by these brokers to, again I say, insurance companies, and I'm sure they don't care. The loans are insured whether the people are white or black, or what color they are.

VICE CHAIRMAN HORN. Mr. Howe, what's your experience with that, in response to that question?

MR. HOWE. I have not experienced any refusal on the part of a mortgage company to finance a residential piece of property because of a person's color. I have had refusals, both black and white, because the credit was so bad that they just could not meet the standards as required.

VICE CHAIRMAN HORN. Obviously, what I am trying to get at is, has an individual, because he is black, been turned down by a private financial institution where a white individual with roughly the same credit and same job level received this support?

MR. HOWE. In my experience I'd have to say that I have not seen that. In fact, I have seen the reverse on the part of FHA who have bent over backwards to approve the credit of a purchaser who might otherwise be considered a borderline case.

VICE CHAIRMAN HORN. One final question, Mr. Faerber. I wasn't quite clear on the counsel's question and the response. He mentioned that based on your testimony that the homes seem to be very similar in price, as I understood it, in Overland and in University City. As we look at the map, Overland seems to be closer to the major plants in the area, as far as an opportunity to commute and yet most of the houses apparently, as I heard the testimony, being sold to blacks seem to be in University City as opposed to Overland.

Could I get your analysis of that situation? It seems like the same number of sales were made in both areas but mostly blacks seemed to be moving into University City, and I just wasn't quite clear,

maybe they don't work at McDonnell Douglas or the rest of the firms out there.

MR. FAERBER. No, it is true, they couldn't all possibly work for the two plants. I don't know how to answer that since I did say the sales are about the same, and that's true. I would say this, that I'm going back to our listings, I would again use the word panic. We probably have more listings in University City than we have in the Overland area because there's not as much turnover in the Overland area. I think there's a lot more homes for sale in University City and I can cite an example, before they passed an ordinance that we cannot put up our "For Sale" signs or anything that says "Sold." In other words, we can't put anything in U City. We can advertise it—that we had a listing on one street in University City when we drove in to inspect it, I hadn't been there before, there were six other "For Sale" signs besides ours going up which would indicate that is a lot of listings, and this was on one side of the street, and it was a two-sided street.

VICE CHAIRMAN HORN. In other words —

MR. FAERBER. There were so many more listings in U City.

VICE CHAIRMAN HORN. Okay.

Even though the total sales of your firm in a particular period were about equal in the two communities and the housing was comparable, the fact that mostly black individuals were sold homes in the University City area, you would say is due to a greater preponderance of listings and choice?

MR. FAERBER. I would say that, sir.

VICE CHAIRMAN HORN. In other words, you are saying it is not because black individuals were steered toward University City as opposed to Overland?

MR. FAERBER. I'm sure that in some cases there has been steering. I wouldn't say there's been no steering because I'm sure there has been some steering over there and again I go back to economics mostly.

VICE CHAIRMAN HORN. Well, but the economics are equal, we've established by your own testimony. That's what concerns me. The housing is similar, the price is somewhat the same, depending on where you work, it could be much more convenient in terms of transportation, and yet most of the sales to blacks occur in University City, which to me looks like—it might be a reasonable argument that a greater preponderance of choice was there. But you know, when the sales are the same in both communities and they are comparable I wonder why most of the blacks are in one area and most of the whites in the other area.

MR. FAERBER. I would answer that this way. I think the people in the Overland area, the owners themselves in the past made a choice on who they wished to sell to, because in Overland people

have lived here for quite a while. They have in University City, but I think there's been a greater trend out of U City in the last few years than Overland. Overland is sort of a small town deal where mama lives here and the kids want to live close, and there hasn't been much turnover, and I think—I'm getting back to age again, age enters into it, and I think a lot of sellers in Overland didn't wish to sell to the black. That was their feelings.

VICE CHAIRMAN HORN. Well, I can appreciate the age factor as far as attitude change and all the other problems. I'm sort of amused that often neighbors who didn't care much about each other all of a sudden care about their neighbors when it's time to leave the neighborhood.

MR. FAERBER. We've been there on that, too.

COMMISSIONER FREEMAN. Mr. Ruiz?

COMMISSIONER RUIZ. Yes. It appears as though the black man is here to stay. Now, it's conceded that the real estate business has an affirmative duty to constructively solve the housing problem from a racial point of view.

Now, the educators feel that all of the social and racial problems are being pushed and dumped upon them. The labor unions feel that all of the social and racial problems are being dumped upon them. And now I hear that there's a feeling in the real estate game that all of the social and racial problems are being dumped upon the Realtors.

I make reference to this by reason of the fact that I get a feeling of frustration from the witness stand. Now, who in particular by name is opening up the real estate licensing and training courses to young black persons as a career here in St. Louis in this rapidly expanding field? Can anyone give me an answer to that question?

MR. HOWE. I think I can answer that.

At the present time the only active organization that I know that is giving forth any effort along this line is the Real Estate Board of Metropolitan St. Louis. I happen to be one of the approved instructors and my last course which was given at the Forest Park Community College, as I recall, I had approximately five Negro students.

COMMISSIONER RUIZ. Now, since you are an approved instructor and these five Negro students came to you, perhaps you can tell us in detail what, if any, recruitment process to go out of your way, if it exists, and recruit young Negroes to get into this field? Or do you just allow the law of gravity to operate and if and when somebody comes in you don't turn him down, but accept him and train him?

MR. HOWE. I think our approach to recruitment is very realistic. I don't think that we want to be in a position of going out and in a wholesale fashion appealing to any particular group—or group

of society. We are looking for excellence in this profession. You know, we are going through a period that the law profession went through about 75 years ago where we are doing our darndest to gain our maturity and become a profession rather than—I believe you a moment ago referred to it as a game, or something of that sort. We like to refer to ourselves as professionals. And here this morning when you referred to a Realtor, that means a member who is a member, a person who is a member of the National Association of Real Estate Boards and the local board. That is a Realtor, no one else is.

Now, we have publicized through our Negro members, we have publicized through all of the press media, as far as I know, here in the St. Louis area, that we are giving these courses. In fact, we had one which was to begin on January 5 and had to cancel it because there was not sufficient interest in the course at this particular time.

COMMISSIONER RUIZ. Now, as you are aware that in the law profession that a great deal of money is being spent to turn it topsy turvy from generations ago when you were admitted to practice law within the last 5 years. Money has been devoted to go to underprivileged people and go out and affirmatively recruit them even though they may not have the advantages of the formal education which perhaps you did, and that is now the policy.

So, with respect to the law profession, and since you indicated the law profession, is there anything similar to that taking place—I won't use the word "Realtors" but let us say, in the realty business, which you form a part of, and as an instructor?

MR. HOWE. Well, yes, I thought I answered your question, sir.

COMMISSIONER RUIZ. That you do not recruit affirmatively because of the fact that—I believe you used the words "A practical way of doing it"—you just advertise generally?

MR. HOWE. I said we do not go out and solicit on a wholesale manner of any group. I don't care who they are or what they are.

COMMISSIONER RUIZ. Do you go out and solicit, not on a wholesale manner but in a selective manner?

MR. HOWE. No, sir.

COMMISSIONER RUIZ. Thank you.

COMMISSIONER FREEMAN. Dr. Rankin?

COMMISSIONER RANKIN. I shall try to make my questions short in number and to be answered in a sentence or two.

MR. FAERBER, you mentioned it's difficult to get white families to move into University City because of fear, and fear of physical violence; wasn't that correct, your statement?

MR. FAERBER. That's right.

COMMISSIONER RANKIN. That means then there's no fear of the possibility of decreased property values in that area?

MR. FAERBER. There can be, and my reason for this is, the older properties, unless they are in real bad neighborhoods, ghettos and so on, can't help but continue to rise in price, and if I may, I cite a "for instance" which is my own family.

My son in '67 was a builder. He built about 20 or 25 houses a year, and he was drafted in the Armed Services. In March he came back from Korea. So while he was gone, and being in the business I picked up about 10 or 12 scattered lots thinking that when he comes back he's got something to do because all he knew was the building business. Well, when he went around he got bids from the subcontractors. Not only one but three on each one. He found that the lots that I had bought in the older neighborhoods around here, that when he got his costs together that the sales price of those houses in the old neighborhood left no profit for him at all. He would be working for the subcontractors and the loaning agencies, and—I hate to admit it—but the salesmen, the real estate people who would collect a commission.

COMMISSIONER RANKIN. Well, that was due to the age of the district rather than —

MR. FAERBER. No, it was just again that everything had increased in prices so I would not let him start. There's no use working for nothing. So, in the small house—now, again, he was building from \$12,000 to tops of \$16,000, in that bracket which would be this area. And he came up with a figure of about \$18,000 to \$18,500, and you can't get that for a house in the older neighborhoods. So, there's no new houses being built. So because of that, there's going to be a shortage and the price of the old ones can only go up. It can't be any other way.

COMMISSIONER RANKIN. They're going up rather than down?

MR. FAERBER. They've got to go up, because there's no replacement.

COMMISSIONER RANKIN. So there's no decrease in the valuation of the property?

MR. FAERBER. The builders that are building houses today are building, I guess, well, I guess a minimum would be \$35,000 and they are going up to \$75,000 and \$80,000, and that eliminates most of the people.

COMMISSIONER RANKIN. But it's not much more house than what they used to get for \$25,000. Is that right?

MR. FAERBER. That's right.

I go in houses today that cost \$4,750 20 years ago and they are selling for \$15,000 today and they are that much older and no better.

COMMISSIONER RANKIN. Well, one other question.

In the panel that preceded yours there was a statement that while the Realtors knew Federal laws, it wasn't exactly this way, they studied Federal law in order to know how to evade it. I think you

should have the opportunity of answering more or less that accusation. The implication was that Realtors are artful dodgers.

MR. FAERBER. Well, you can say anything about anybody. I think that we have different classes of real estate people, and I think you will find that where people have been in business for a while, they are not going to dodge. I would think the man that—the salesperson in the past who has tried to steer them away from a certain neighborhood perhaps lives in that subdivision and he felt that if a black person would move in the prices would go down. And I think it was something that was hitting him personally where he would try to steer because he's trying to make a commission and he don't care who he sells to. He's got to make that commission to live. But when it was striking home, say next door, or in the adjoining block, or would possibly hurt him, I think that he'd be inclined to think twice.

COMMISSIONER RANKIN. Well, one other implication and then I'm through.

There was another implication that the Federal agencies really don't keep you informed of their rules and regulations, nor do they really enforce their rules and regulations. Is that a fair conclusion or not?

MR. FAERBER. Well, although we haven't received anything, I'm sure we have plenty notices in the newspaper and the news media that we don't need all this paper—

COMMISSIONER RANKIN. But you had to get it through the newspaper? Is that it?

MR. FAERBER. I would think so, and we are impressed by it. You see it there and read about it. Where if you get these pamphlets, and believe me, if you have seen some of them, they are 10, 20 pages and they are printed so fine I have to put my glasses on—I wouldn't even start to read it. You get too much of that stuff.

COMMISSIONER RANKIN. I thought the testimony was that you didn't get any of it, but you do get some, don't you?

MR. FAERBER. I don't think we got anything from the Government direct, I really don't. I don't recall.

COMMISSIONER RANKIN. Okay.

COMMISSIONER FREEMAN. Dr. Horn?

VICE CHAIRMAN HORN. Let me just follow up on a comment that you made there.

As I recall, somewhere in my memory, a study was once done in St. Louis—I don't know how many years ago—of sales of houses owned by blacks. And the conclusion of that study was that prices did not go down when blacks moved into the area.

I would like both of you gentlemen to give me your impressionistic feeling based on your knowledge of St. Louis real estate and

the population migration. Have property values gone down when blacks have moved into an area?

It seems to me, what you just said, is property values are going up even in very dilapidated areas. I haven't asked you whether it's land cost or labor cost, but I suspect it's land cost.

MR. FAERBER. It's labor and material, both. And I think previously, I am going back 2, 3 years, when this thing first broke, I do believe that the first sellers made a tremendous profit and the one who sold out last, he perhaps sold at a loss. Now, I am going back 3 or 4 years, but today if you go through—"I wish I could get away from U City", that's all I heard, but because there's so many black people in U City or Frostwood, you go down those streets and those homes are painted, they're kept, and unless you see a colored person at the front door you have no knowledge whether it's white or black, and because the people are keeping them up and painting them the price will go up whether it's black or white.

It's just a matter of maintaining and repairing your properties, is what it boils down to today.

VICE CHAIRMAN HORN. So it has not been a loss in property values as your general conclusion?

MR. FAERBER. No, I would say in University City these folks are keeping up the prices and most of our loans are FHA and they are appraised by Government appraisers, and each year the appraisers come back with higher appraisals, the same house.

VICE CHAIRMAN HORN. Mr. Howe, do you have any comment on that? Is that your experience, also?

MR. HOWE. I would not have any comment on that, no.

VICE CHAIRMAN HORN. Well, do you disagree with the testimony of Mr. Faerber? Do you think he's wrong and property values have gone down?

MR. HOWE. No, I do not.

VICE CHAIRMAN HORN. Okay.

COMMISSIONER FREEMAN. Mr. Glickstein?

MR. GLICKSTEIN. I have no questions, Mrs. Freeman.

COMMISSIONER FREEMAN. The witnesses are excused.

MR. GLICK, will you call the next witness, please?

MR. GLICK. Madam Chairman, the next witness is Miss Karen Krueger.

(Whereupon, Miss Karen Krueger was sworn by Commissioner Freeman and testified as follows:)

**TESTIMONY OF MISS KAREN KRUEGER, PROGRAM ANALYST, U.S. COMMISSION ON CIVIL RIGHTS**

MR. GLICK. Miss Krueger, are you a Civil Rights Program Analyst employed by the United States Commission on Civil Rights?

MISS KRUEGER. Yes, I am.

MR. GLICK. In that capacity are you the author of a paper entitled, "Staff Report, Housing in St. Louis, United States Commission on Civil Rights?"

MISS KRUEGER. Yes, I am.

MR. GLICK. Madam Chairman, I request permission to introduce this report for the record.

COMMISSIONER FREEMAN. So ordered.

(Whereupon, the document referred to was marked Exhibit No. 21 and received in evidence.)

MR. GLICK. Miss Krueger, have you prepared a summary of this report?

MISS KRUEGER. Yes, I have.

MR. GLICK. Will you please read it for the Commission at this time?

MISS KRUEGER. The Commission staff report on housing shows a clear contrast in the housing supply in the city of St. Louis and St. Louis County. Housing in the city is primarily old multifamily rental houses. Housing in the county is primarily new single family owner-occupied housing.

More than 95 percent of the increase in the housing inventory of the St. Louis area since 1960 has taken place in the Missouri suburbs. At the same time the housing inventory in St. Louis city is declining. The city added approximately 6,800 units between 1960 and 1965 and demolished approximately 12,000 units during the same period, a loss of 5,200 units.

Since the vast majority of black families in the St. Louis area are confined to the center city, the difference in housing between white and black families parallels the difference in housing between the city and the county. According to the 1960 census figures non-white families in the St. Louis area are more likely than whites to live in old, overcrowded substandard rental housing. Since the median income of black families in St. Louis is considerably below the median income of white families, limitations on construction of new low-income housing in St. Louis County have a disproportionate effect on black families.

Housing sale prices are rising in St. Louis County at an average rate of 5 percent per year.

A study for the National Commission on Urban Problems found zoning practices in St. Louis County to be an important factor in the increase in land and housing cost but economic factors do not provide an adequate explanation of the confinement of black families in St. Louis to old segregated rental housing.

At every income level, black families own fewer and less valuable homes than white families.

According to 1960 census data, if black families were scattered throughout the St. Louis metropolitan area according to their in-



come, nearly twice as many black families would have been living in the St. Louis suburbs in 1960. And if black families owned homes throughout the metropolitan areas in the same proportion as white families in their income group, there would have been more than twice as many black homeowners in the St. Louis suburbs in 1960.

The Commission staff investigation revealed that the separate and unequal housing conditions for black families in the St. Louis metropolitan area are primarily a result of the existence of a dual housing market—one market for black families, another for white families. This separate housing market for black families is recognized and accepted by local and Federal Government officials. For example, applications to HUD, Department of Housing and Urban Development, for certification of a workable program for community improvement contain a section outlining housing estimated to be available to displaced families and individuals in the locality. The form provided by HUD states:

The racial breakdown may be eliminated for any community for which it is a substantiated fact that all housing resources, public and private, are fully available to all families without regard to race.

None of the St. Louis County applicants omitted the racial breakdown.

In March 1969, the government of St. Louis County estimated that 500 rental units as available to whites, 100 as available to blacks.

Since better than 70 percent of real estate transactions are handled by real estate agents, the role of the real estate broker in maintaining a separate housing market for black families is primary. However, the private housing market is to a large extent influenced by and dependent on Federal housing policies.

Commission staff examined programs in the St. Louis area administered by the Department of Housing and Urban Development to determine the effect of these programs on the dual housing market. In fiscal year 1968 the Department of Housing and Urban Development's financial outlay in St. Louis County was more than 1½ times as great as the outlay in the city of St. Louis. And while over 20 percent of HUD's financial outlay in the city of St. Louis has been for public housing, 98 percent of HUD's financial outlay in St. Louis County has been for FHA mortgage insurance enabling over 84,000 middle- and upper-income families to own their own homes.

A detailed examination of the major HUD programs operating in the St. Louis area reveals that the programs have not only failed to eliminate the dual housing market for black and white families but have had the effect of perpetuating and promoting it.

Very few black families have participated in the benefits of FHA—Federal Housing Administration—Mortgage Insurance Programs in the St. Louis area. According to a survey of FHA subdivision homes

constructed between 1962 and 1967 in the St. Louis insuring office area, fewer than 1 percent were purchased by black families.

Under the housing constructed or purchased under FHA low-income housing programs by black people, nearly all is located in predominantly black neighborhoods. The new program of home-ownership for low-income people, Section 235 Mortgages, is following this familiar pattern.

The new housing being constructed under Section 235 is in all-black areas. According to a sampling taken by Commission staff, the existing houses being purchased under Section 235 are old, segregated, and sometimes not expected to outlive their mortgages. The houses range in price from \$7,300 to \$17,050. The average sale price is \$12,700. There is housing in this price range available in St. Louis County. Yet over 50 percent of the Section 235 houses are located in the city of St. Louis. Over 85 percent of the houses are located in neighborhoods which are all-black or in the process of becoming all-black.

The 1960 census figures showed over 80 percent of black homeowners in St. Louis living in houses built before 1940. The average house being sold under Section 235 was built in 1928. Over one-fourth of the houses have received adverse appraisal remarks such as: "Only bath serving property in basement", or "Poor maintenance", "Expressway on East Road", "Noise", or "Value and economic life based upon repairs."

Twenty-three percent of the houses are estimated to have a physical life of 40 years or less. And one-fourth of the homes were owned by the same seller, identified on an FHA appraisal form as a speculator. Once again the separate housing market for black families in St. Louis is having its effect, with the benefit of a Federal subsidy.

The overwhelming majority of the families displaced under St. Louis County urban renewal programs has been black. In each project, with the exception of Kinloch, the local urban renewal authority with the knowledge and acquiescence of HUD officials, has proposed public housing in the city of St. Louis as a principal relocation resource for displaced families.

Housing in neighborhoods changing from predominantly white to predominantly black also has been singled out as a relocation resource for displaced black families, again with the full knowledge and acquiescence of HUD. Thus, urban renewal in St. Louis County has had the effect of forcing black families into the central city or promoting the creation of new segregated neighborhoods throughout the metropolitan area.

Only one municipality in St. Louis County has a public housing authority. This is the all-black city of Kinloch. Other than the 150 units in Kinloch, no public housing has been constructed in St. Louis County.

There are approximately 8,000 public housing units in the city of St. Louis. This, despite the fact that from the practical standpoints of expense and accessibility to employment centers, it would be more feasible to provide low-income public housing in St. Louis County.

HUD has permitted the various jurisdictions in St. Louis County to benefit from its program on a selective basis while rejecting public housing for low-income families. The unincorporated section of St. Louis County does operate a public housing authority, and after at least 14 years of existence it is now hoping to construct its first units.

HUD has authorized 600 units of turnkey housing for St. Louis County and the county has selected five sites. Four of the sites have been conditionally approved. One is in the all-black community of Meacham Park. The other three sites, one of which will be for elderly persons only, are located in predominantly white areas. A proposed site in the black community of Robertson has not yet been approved by HUD because it is within the flight pattern of Lambert Field.

Although HUD is aware of the exclusionary policies of local jurisdictions in St. Louis County, it continues to furnish them with funds to plan and construct public facilities and to engage in comprehensive community planning which perpetuates the acknowledged segregated housing market in the St. Louis area.

COMMISSIONER FREEMAN. Thank you, Miss Krueger, you may be excused.

Mr. Glick, will you call the next witness.

MR. GLICK. Madam Chairman, the next witness is Mr. Michael Galli, the Director of the St. Louis Insuring Office of the Federal Housing Administration.

(Whereupon, Mr. Michael Galli was sworn by Commissioner Freeman and testified as follows:)

**TESTIMONY OF MR. MICHAEL GALLI, DIRECTOR, ST. LOUIS INSURING OFFICE, FEDERAL HOUSING ADMINISTRATION, ST. LOUIS, MISSOURI.**

MR. GLICK. Mr. Galli, you heard Miss Krueger's summary of her paper?

MR. GALLI. Mr. Glick, Madam Chairman, I would like to make a statement before we go into anything, if I have your permission.

COMMISSIONER FREEMAN. You may proceed.

MR. GALLI. When I say this office, I am speaking about the St. Louis office.

This office has been pursuing an affirmative action program under Executive Order 11246 by requiring a Preconstruction Conference and in recent years a Preaward Conference to promote equal opportunity in employment in FHA insured programs.

As a result of an affirmative action by our office, Mr. and Mrs. Joseph Lee Jones, who were parties to the historic suit of *Jones versus Mayer* in the United States Supreme Court were able to buy a home in a previously all-white subdivision other than the one which was the basis for the suit.

Also, as the result of the affirmative action of our office a Negro subcontractor, Harding Electric Company, brought suit against the Plumbers Union with the assistance of the National Labor Relations Board which resulted in a settlement of the strike and also the settlement which delayed completion of the Jefferson National Expansion Memorial for many months.

I've recently received notification that I have been cited for achievement of significance to the construction industry in 1969 at a meeting in New York on February 11 given by the publishers and editors of Engineering News Record, they will honor the construction men of the year. And if I may digress, there are 40 names in that particular instance. One is Secretary Romney, one is Secretary Volpe, one is President Richard Nixon.

We have met with Home Builders and at one particular meeting on August 4, 1967, our Zone Operations Commissioner from Washington, the Regional Administrator for Equal Opportunity from our Regional Office in Fort Worth, and the Assistant to the Commissioner for Equal Opportunity from our Washington office. The purpose of this meeting was to bring about greater cooperation and compliance for equal opportunity in the purchase of homes in new subdivisions.

In our implementation of Section 235 Program, a random sampling of 122 cases indicates that 70 of the applications were for properties located in areas other than the inner-city. All but six of these cases were in St. Louis County.

As a result of our counseling service performed in our office 58 interviews resulted in firm commitments, 31 of these represented purchases of properties located in St. Louis County. Due to many reasons, principally the shortage of money for financing, high discounts, and the high construction cost, this office during the year of 1969 insured only 383 loans on new construction in the entire eastern half of the State of Missouri.

Under Section 221h, Rehabilitation Program, I have worked very closely with Macler Shepard of Jeff-Vander-Lou, Inc. and have met with them many times as a member of the committee. As a result of our joint efforts and the efforts of other parties a number of buildings have been substantially rehabilitated in this area based on the express desire of Mr. Shepard and the residents of the area that they wanted to continue to live in this community but to improve their housing and their standard of living.

As a result of the progress made in upgrading the neighborhood,

a rehabilitated building has been converted into a modern medical center and the Brown Shoe Company has built a new \$1 million plant in this area and will train and employ 200 residents of the area.

We have in process under moderate-income housing in St. Louis County a project called Charvel Apartments, on Nemnich Road which has 148 units, 60 percent of it is completed. This is in the county. We have another, Chalet Apartments, again in St. Louis County, with 38 units. We have an outstanding commitment. We haven't started construction. And we have one called Villa De Cresta on Howdershell Road, that's in Florissant, it's not in—well, it's in St. Louis County, but in a municipality, of 169 units of which a firm commitment has been issued. And we have another one called the Hilltop Apartments, at Halls Ferry and Chambers which the proposal is for 108 units and that application is being processed now and that also is in St. Louis County.

I would like to make this part of the record, if I may, Madam Chairman.

COMMISSIONER FREEMAN. It will be received.

(Whereupon, the document referred to was marked Exhibit No. 22 and received in evidence.)

MR. GALLI. That is all I have at this time.

MR. GLICK. Mr. Galli, you heard Miss Krueger's summary of her paper on housing which I think was distributed outside. Would you care to comment on her recitation of FHA's influence on the housing market in St. Louis and St. Louis County?

MR. GALLI. Well, would you ask me a question of some kind? I think that's kind of general.

MR. GLICK. What I am asking you, I'll then ask you specifically. Did you, in listening to Miss Krueger's paper, find anything in it that you found incorrect from your own knowledge? Did she say anything that you think is inadequate?

MR. GALLI. Again, I think you should ask me a specific question. Now, she read for 5 minutes.

MR. GLICK. Okay.

MR. GALLI. I'd be glad to do anything I can for you, Mr. Glick, or answer any question that I can.

MR. GLICK. Then let me turn to a different question, Mr. Galli.

Can you tell me what percentage of the housing in the St. Louis area is insured by FHA?

MR. GALLI. The percentage of housing in St. Louis insured by FHA?

MR. GLICK. In the St. Louis area, I mean in the area of your insuring office?

MR. GALLI. I have no idea.

VICE CHAIRMAN HORN. What is the area of your office?

MR. GALLI. Eastern District of Missouri, sir.

VICE CHAIRMAN HORN. It cuts from where to where?

MR. GALLI. Roughly from the Mississippi River to a little bit beyond Jefferson City and Columbia, Missouri, and then north to the Iowa line and south to the Arkansas line which about parallels the Eastern District of the Federal area of Missouri, about a half of the State.

VICE CHAIRMAN HORN. And St. Louis city and County in terms of housing would have roughly what—80 percent of your area?

MR. GALLI. The city and county would have 80 percent?

VICE CHAIRMAN HORN. Yes, combined?

MR. GALLI. I would say—

VICE CHAIRMAN HORN. Is that about right?

MR. GALLI. That is a fair figure, yes, sir.

MR. GLICK. But you are not aware of what percentage of the housing in the area has been insured by FHA?

MR. GALLI. No, sir. I think we can get that figure for you, for the Commission, out of our central office where they have the computer data, if you like. Now, are you talking about 1 year or since its inception or when? That's a—

MR. GLICK. Well, I am thinking in terms of its inception.

MR. GALLI. So we have to go back to 1934. I'm sure that we can get that figure for you.

MR. GLICK. Fine. I would appreciate it if you would.

(The information referred to is included in Exhibit No. 53.)

Mr. Galli, are you familiar with a survey done in 1967 by FHA of subdivisions that have been insured by FHA since 1962 on a national basis which indicates that fewer than 1 percent of the new subdivision units in the St. Louis area have been sold to Negro families since 1962?

MR. GALLI. Yes, sir, I do.

MR. GLICK. Do you think that the figures in the survey are reasonably accurate?

MR. GALLI. The figures?

MR. GLICK. Yes.

MR. GALLI. I would say they are reasonably accurate, yes, sir.

MR. GLICK. Would you offer an opinion why the percentage of Negro purchasers of subdivision homes in the St. Louis area is so low?

MR. GALLI. Well, I don't think an opinion from me would mean that much. I will say that in answer to the question, that I think we have many more since that survey was made than we probably had from '62 to '67 when it was made. I think that the answer or the best answer to my ability was that it was just hard for these people, the black people, to buy houses in anywhere that they wanted

to buy houses until the time came where they were told that they had the right to buy anywhere they wanted to buy.

MR. GLICK. You mean previous to that it was a question of discrimination?

MR. GALLI. Well, I wouldn't answer the question in that form. I think whether it was discrimination or not is not for me to say. Do we know that these people really tried to buy at the time before these dates? I don't know.

MR. GLICK. But you suggested it was hard for them to buy in certain areas until they were told that they could?

MR. GALLI. I didn't say that. I said that I think it might have been more difficult for them to buy than it is today.

MR. GLICK. I see. Let me return to one thing.

The Executive order controlling equal opportunity in housing insured by FHA, Executive Order 11063, was issued in 1962. And the survey covered housing that has been built since 1962. Do you believe that between the period of 1962 and 1967 that despite the Executive order it was difficult for Negro people to buy in some subdivisions?

MR. GALLI. I don't think I could answer that question and answer it truthfully; I'm under oath. How do I know what someone tried to buy? I can say this, that we have had people come into our office since the Executive order and complain that they were denied the right to buy a home in a subdivision which was approved by the FHA, and we worked it out. It may have taken some conciliation but we did get the house. And, as I said in my statement, Mr. and Mrs. Jones were one of the people that came in and tried to buy a house and were turned down and we got the house for them. Now, to me to try to answer the question that you just posed, I think it would be impossible.

MR. GLICK. Mr. Galli, I expect that as head of the FHA Insuring Office in St. Louis you must be very familiar with the housing trends in the area. Would that be correct?

MR. GALLI. Yes, I would say.

MR. GLICK. From the paper that Miss Krueger has read and from your own personal knowledge would you comment on the extent to which you think there might be two separate housing markets in the St. Louis area, one for blacks and one for whites?

MR. GALLI. No, I wouldn't want to comment on the statement that she made along those lines because in my office there is no such thing as two avenues, there's only one avenue, and I would rather speak for my own office. There's only one avenue in my office whether you are black or whether you are white.

COMMISSIONER FREEMAN. Mr. Galli, does your office retain lists of the FHA foreclosures?

MR. GALLI. Of the FHA foreclosures? Yes, ma'am.

COMMISSIONER FREEMAN. They do? How far back do you go, about 3 years, 4 years?

MR. GALLI. On records?

COMMISSIONER FREEMAN. Yes.

MR. GALLI. Of specific houses?

COMMISSIONER FREEMAN. Yes.

MR. GALLI. Now, that, Mrs. Freeman, I don't know whether we have those records or not or whether we can get files back after we sell a house and the house is re-insured how long those files are really kept or if we had a specific case to get a file, maybe out of the warehouse where these files are.

COMMISSIONER FREEMAN. Well, then, I think it would be helpful in line with the question that Mr. Glick has raised if you would supply at a later date to this Commission, as early as possible, the address in the county or within the jurisdiction of FHA.—

MR. GALLI. Within the Eastern District?

COMMISSIONER FREEMAN. —of all of FHA foreclosures, say, within the past 2 years.

MR. GALLI. Okay.

COMMISSIONER FREEMAN. The location of those, and if you have the information, the race of the person who bought the house from FHA.

MR. GALLI. That I can tell you we don't have.

COMMISSIONER FREEMAN. Could you just give us what you have?

MR. GALLI. Now, you are asking me if we have in the Eastern District of Missouri in our jurisdiction for the past 2 years the addresses of all the houses we had under foreclosure?

COMMISSIONER FREEMAN. That's right.

MR. GALLI. Yes, ma'am.

COMMISSIONER FREEMAN. And particularly we are interested in the county.

MR. GALLI. I'll give them all to you, and if we can, Mrs. Freeman, as you well know, being a little bit familiar with the addresses and streets, we can asterisk before the ones we think is actually in the county for you, put an asterisk before the ones we think is in the county, but give you a complete list of everything that we have.

We'll try to separate, in other words, the one from the other; that is what you are asking, right?

COMMISSIONER FREEMAN. Yes, this is along the lines of Mr. Glick's question.

(The information referred to is contained in Exhibit No. 44.)

MR. GLICKSTEIN. Mrs. Freeman, may I also interrupt Mr. Glick for one question?

COMMISSIONER FREEMAN. Yes.

MR. GLICKSTEIN. I'd just like to pursue a point that Mr. Glick raised with you a moment ago.



You did describe for the Commission in your opening statement a situation in which you did receive some complaints under the Executive order, and you conciliated the situation and worked it out. Is that correct?

MR. GALLI. Yes, sir.

MR. GLICKSTEIN. Have there been many such instances?

MR. GALLI. No, I don't think there were that many, Mr. Glickstein, and I would say in the neighborhood of 20.

MR. GLICKSTEIN. What do you do besides conciliating and working it out? Does the builder have to sign something?

MR. GALLI. Well, I don't think the builder has to sign anything. If we can conciliate, and I think the proper procedure was, under the Executive order, was to accept the complaint from a complainant and then get the builder in and find out whether the complaint was justified and if so, then have an informal meeting with both the complainant and the builder and see whether through conciliation we can work it out and have these people buy the house of their choice.

MR. GLICKSTEIN. If you find that the builder has discriminated then you go into this conciliation procedure? Is that right?

MR. GALLI. Yes, sir, We did at that time, we don't do it any more.

MR. GLICKSTEIN. You did at that time? And do you require more of the builder—did you require more of the builder and of course the Executive order is still in effect—but did you require more of the builder than that he sell that particular house to that particular person?

MR. GALLI. At that particular time?

MR. GLICKSTEIN. Yes.

MR. GALLI. No.

MR. GLICKSTEIN. What do you do now?

MR. GALLI. Well, now we conciliate more than just using the word, "conciliation," and we have done more even in those years, as I've read in my statement that we had these meetings with the Home Builders in general and have people in here from our Regional and Washington office and myself with the Home Builders.

MR. GLICKSTEIN. What do you do with a particular builder that has been found to have discriminated?

MR. GALLI. The particular builder, we have asked those people and they have complied by writing letters to us that they have had meetings with their salespeople to talk to them about this particular order and to more or less cease and desist as far as discrimination in housing is concerned.

MR. GLICKSTEIN. Do you ask the builder to undertake any affirmative program to market his houses to the black community?

MR. GALLI. Would you be more explicit?

MR. GLICKSTEIN. Do you ask the builder to undertake an affirmative program to go out and seek black purchasers for his home?

MR. GALLI. Did you ask me if I did that?

MR. GLICKSTEIN. Yes, sir.

MR. GALLI. No, sir, I did not.

MR. GLICKSTEIN. Are you familiar with Letter Number 58 issued by Assistant Secretary Commissioner Brownstein on February 7, 1967?

MR. GALLI. Yes, sir.

MR. GLICKSTEIN. If I may, I'd like to read a portion of that letter.

Madam Chairman, I am reading, quoting, from a letter that was sent to Dr. John A. Hannah, the former Chairman of our Commission, by Robert Weaver, the former Secretary of HUD in 1967, and the language that I am reading, I'm quoting from that letter, and I'd like to introduce the letter into the record, please.

COMMISSIONER FREEMAN. It will be received.

(Whereupon, the document referred to was marked Exhibit No. 23 and received in evidence.)

MR. GLICKENSTEIN. That letter says, the title of the letter is "Equal Opportunity in HUD Operations and Programs." The letter included the following:

Discrimination complaints and sanctions. Effective sanctions will be imposed against those persons found in violation of Executive Order 11063 and equal opportunity regulations. For example, if it is found that an act of discrimination was committed, the violator must show that he has developed and implemented an affirmative program of equal opportunity before he is reinstated. In addition to a sale to the complainant at a price no higher than existed at the time of the discrimination, or rental to the complainant in the case of rental housing, there must be an affirmative program that will give assurance to the director that discrimination will not be practiced in the future. This affirmative program may include evidence of a number of sales or rentals to minority group members, of advertising on an open occupancy basis, of intensive instruction of their sales forces on the policy of nondiscrimination, or of other appropriate actions. The essential requirement is that there be affirmative evidence of a program that will assure nondiscriminatory sale and rental practices in the future.

Have you implemented that section of Letter Number 58?

MR. GALLI. In part, yes. I just said that I was with these people, we had these meetings and the meetings were continued from time to time. We have letters from some of the builders where they had meetings with their salespeople and instructed their salespeople that there would be no more, or as I said, cease and desist in particular orders of discrimination.

I personally at times have gone to these different subdivisions and see whether these people were doing what they were supposed to do or trying to do what they were supposed to do and the complaints were not coming in, after we had some number of complaints which we had taken care of. So, I thought, and I think, that I did comply with Letter 58.

VICE CHAIRMAN HORN. Mr. Glickstein, does that letter apply to the Executive order of 1962?

MR. GLICKSTEIN. Yes.

VICE CHAIRMAN HORN. In other words, it requires an affirmative

action program. Does the 1968 Act as far as the provision that took effect on December 31, 1969, also contain that requirement?

MR. GLICKSTEIN. The 1968 Act does not contain that requirement but the 1968 Act does not abrogate the Executive order. The Executive order is still in effect and its provisions are supposed to be implemented.

VICE CHAIRMAN HORN. As I recall, that Executive order applied to a narrower area of housing—

MR. GLICKSTEIN. That's correct.

VICE CHAIRMAN HORN. Than is covered by this?

MR. GLICKSTEIN. That's correct.

VICE CHAIRMAN HORN. Now, have we got a difference here at all in terms of the area of housing that's covered? In other words, is HUD in the position where they are bound by an Executive order to have an affirmative program for one group of housing but they haven't specified or perhaps the Secretary has and I am not aware of it, when the act brought in a larger percentage of housing, that they are not bound to have an affirmative action program there. I just want that clarified.

MR. GLICKSTEIN. Well, under Title VIII which as you correctly state, Dean Horn, is much broader than the Executive order, Section 801 in general terms says it is a policy of the United States to provide within constitutional limitations for fair housing throughout the United States, and then there is a provision in here which I just can't put my finger on at the moment, which does state—well, I think I've found it—

all executive departments and agencies shall administer their programs and activities relating to housing and urban development in a manner affirmatively to further the purposes of this title and shall cooperate with the Secretary to further such purposes.

VICE CHAIRMAN HORN. It would seem to me then that they are bound to carry out both programs and both coverages in an affirmative manner.

MR. GLICKSTEIN. That's correct. Mr. Glick, I'm sorry.

MR. GLICK. Mr. Galli, does your office keep statistics by race?

MR. GALLI. No, sir.

MR. GLICK. Of persons who have insured property?

MR. GALLI. No, sir.

MR. GLICK. Are you prohibited by law from keeping such statistics?

MR. GALLI. Not being a lawyer I can't answer whether it is prohibited by law or not. I know that we don't do it and we are not asked to do it and we're not told to do it, and I don't know there is any such law and if there is maybe a lawyer on the panel can inform me.

MR. GLICK. Have you been issued any instructions that you should not keep statistics by race?

MR. GALLI. I think I answered the question. I don't know whether

we have but I know that we don't because there isn't anything on any application form of any kind which distinguishes race so I would just take it for granted that there is no such thing. Whether it's an application for employment or whether it's an application from anywhere else. If we get applications for insurance on mortgages, for mortgagees for our people, there's nothing to show on there whether a person is black or a person is white.

MR. GLICK. So in other words—

MR. GALLI. In other words, to specifically answer the question, no, we do not have such records.

COMMISSIONER FREEMAN. Mr. Galli, in line with that question, have you, during the time that you have been in this position, had any concern as to whether FHA benefits are in fact available to black persons as well as white persons?

MR. GALLI. I didn't hear you, Mrs. Freeman.

COMMISSIONER FREEMAN. You said that you have no information as to whether the applicant is black or white?

MR. GALLI. That's right.

COMMISSIONER FREEMAN. And I believe you also said that the benefits of FHA insurance are available. How do you know?

MR. GALLI. How do I know?

COMMISSIONER FREEMAN. Yes, how do you—what steps do you take to be sure that the prospective purchaser is not discriminated against, or may be discriminated against?

MR. GALLI. Well, now, I don't know just how to answer that particular question as to how or when or why, or if a person is black or white. As I said a moment ago, that there is no distinguishing effects of any kind in the office and the only time we know whether a person is black or white is if the person comes in to see either myself or someone else if they have a complaint to register or if they are not satisfied with the way their cases were processed and so on and so forth. But there's no question in my mind, Madam Chairman, that the FHA makes no difference to which person comes in, again, whether it's black or white.

COMMISSIONER FREEMAN. If there is a subdivision that has been insured and the houses there are going to be sold, does your office consider that it has any duty to see that the persons who will buy in that subdivision will be black as well as white?

MR. GALLI. Yes.

COMMISSIONER FREEMAN. And how do you do this?

MR. GALLI. Well, again by talking to the builder that they know that there is no such thing as discrimination. Now, we don't have any tools to make sure that I found someone and brought this person out there. Now, unless something is developed here as to how we might be able to do some of these things in a different manner, certainly I would be more than willing to listen, but how it can be done, Mrs. Freeman, I just can't give you the answer.

COMMISSIONER FREEMAN. Well now that you have learned that less than 1 percent in the St. Louis County area, that less than 1 percent now, have been available to black persons, would you tell this Commission how you propose to correct this?

MR. GALLI. Well, I think that it probably can if we had some assistance besides—I certainly am willing to take the lead, and I have done in many instances over the past 8 years since I've been there to alleviate in any manner whatever for either black or white, more so, just as much with the blacks because as you know, from your own observation that I've worked with those people over the last 8 years in this particular position.

Now, there's been a lot said about St. Louis being more or less stagnant and most of the business is out in St. Louis County, and I enumerated a number of apartments that are going up, project apartments which are moderate-income and I think that if we can by collaboration with some of the people, and I wouldn't mind making the statement right here and now that I will certainly again try and take the lead with some of the people, with some of the powers to be, if that's a better word, a better statement, with people other than ourselves in the St. Louis office, or myself in the city of St. Louis, and see what can be done to publicize what these areas are and that they are certainly open to the black people, and I think that's what we are talking about. I certainly will carry the step once more.

COMMISSIONER FREEMAN. Thank you.

MR. GLICKSTEIN. May I interrupt just to follow up on your questions, Madam Chairman?

Do you file or are you required to file any reports with HUD on the progress of integration in this area?

MR. GALLI. I'm not sure of that.

MR. GLICKSTEIN. You don't recall whether you have filed such reports?

MR. GALLI. No, I don't. I can find out for you.

MR. GLICKSTEIN. Would you?

MR. GALLI. Let me have it.

MR. GLICKSTEIN. The letter that I introduced into the record a little while ago from former Secretary Weaver to Dr. Hannah does state that—

MR. GALLI. That Letter 58?

MR. GLICKSTEIN. No, I have a letter, which we will give you a copy of, from Secretary Weaver to Dr. Hannah. It was from that letter that I quoted, a portion of the Letter 58, but in addition to that this letter said that the directors of all insuring offices are required to make quarterly reports on the progress of integration in their jurisdictions.

MR. GALLI. I think we do. You want a copy of that report, sir?

MR. GLICKSTEIN. Would you give us a copy?

MR. GALLI. I will get it for you.

(The information referred to appears in Exhibit No. 43.)

VICE CHAIRMAN HORN. Excuse me. You are a director of an insuring office, I assume?

MR. GALLI. Yes.

VICE CHAIRMAN HORN. Now, are you aware of that quarterly report?

MR. GALLI. Yes.

VICE CHAIRMAN HORN. Is that reviewed by you?

MR. GALLI. Yes.

VICE CHAIRMAN HORN. It is prepared by a member of your staff?

MR. GALLI. Yes.

VICE CHAIRMAN HORN. I see.

MR. GLICK. Mr. Galli, your office makes appraisals of existing housing before insurance is written on it; is that correct?

MR. GALLI. Yes, sir.

MR. GLICK. Is the appraisal done by an onsite visit of an appraiser either an employee of FHA or on a contract basis?

MR. GALLI. Yes, sir.

MR. GLICK. In terms of new housing construction, does FHA have employees who inspect the building to make sure that it confirms with FHA specifications?

MR. GALLI. Yes, sir.

MR. GLICK. I would like to ask you, and this is in line with what Mrs. Freeman was asking you a little while ago, do you think it might be possible for FHA to make onsite inspections of new housing subdivisions to make sure that discrimination is not being practiced?

MR. GALLI. Yes, sir.

MR. GLICK. Do you think this might be a useful technique?

MR. GALLI. Well, I asked for a suggestion or two a moment ago and that certainly sounds like a good one, and I can tell you right here and now that I'll take that particular responsibility on myself so that at a later date if we were to run into one another I won't be able to point a finger at one of my employees and say I sent him out to that subdivision. I'll do it myself.

MR. GLICK. Do you think this might be a useful policy?

MR. GALLI. Who knows? I think anything is good and I think if we try anything it may be good. Now, I think your suggestion, as I said, sounded like a good one and I was willing to take it on myself. Now, you are coming back again and wondering if it is a good policy. I said, yes, I thought it was a good policy, and I think almost anything that we might be able to develop which may work in a better manner for all of us concerned certainly should be something that we all ought to strive to do.

MR. GLICK. Thank you. I have no further questions, Mrs. Freeman.

COMMISSIONER FREEMAN. Mr. Ruiz?

COMMISSIONER RUIZ. Mr. Galli—

MR. GALLI. Yes, sir?

COMMISSIONER RUIZ. Before a loan is made or a mortgage insurance issues, an appraisal is indispensable, isn't it?

MR. GALLI. That's right.

COMMISSIONER RUIZ. Now, as Director of the St. Louis FHA office for over 8 years how many black appraisers are employed by the St. Louis FHA?

MR. GALLI. Two.

One has just stepped up in a little higher position. He was an appraiser. But we do have one staff appraiser now besides the other. We have two, yes, sir.

COMMISSIONER RUIZ. How many appraisers do you have altogether?

MR. GALLI. Ten.

COMMISSIONER RUIZ. Are you making any efforts as Director to recruit or train other black appraisers to join the FHA staff office?

MR. GALLI. Yes, through the Civil Service Commission and through the meetings that we have with those people. However, we're in a period of attrition at the moment and the last one that we did bring on deck so happened to be a black person by the name of Donald Jenkins.

COMMISSIONER RUIZ. And will you continue your efforts in that direction, sir?

MR. GALLI. Yes, sir, and I can add if I may, that we have 70 people in our office and I think 12 or 13 of them are black, male and female.

COMMISSIONER RUIZ. Thank you.

MR. GALLI. You're welcome.

COMMISSIONER FREEMAN. Dr. Rankin?

COMMISSIONER RANKIN. I have one statement from Miss Krueger's report that I wonder if you would be willing to comment on. A detailed examination of the major HUD programs operating in the St. Louis area revealed that the programs have not only failed to eliminate the dual housing market for black and white families but have had the effect of perpetuating and promoting it.

MR. GALLI. Well, I would answer that, Mr. Rankin, by saying it's ambiguous and if someone wants to delineate and specifically ask a question about part of it, I'd try to answer it.

Now, what are HUD programs? I think everybody sitting up at that table knows that there's probably 150 programs that HUD administers or more—or less.

I don't believe that there is a dual capacity, as I stated before, and I'm still under oath. In our office, now I am only speaking about our office; now, there are a lot of others in—

COMMISSIONER RANKIN. Would you say it exists?

MR. GALLI. To my knowledge, no.

COMMISSIONER RANKIN. Therefore, this is incorrect?

MR. GALLI. Now, wait, I didn't make the statement, someone else did. You are asking me a question, and I say, I don't think it is to the best of my knowledge and ability I don't think there are two standards, and I am again speaking about our office.

COMMISSIONER RANKIN. Would it necessarily follow if that's not true there wouldn't be any effect of perpetuating or promoting, that would naturally follow?

MR. GALLI. I think it's one person alongside of another. I don't think it is, I think that probably there are a lot of inequities in a lot of things as you go and come, Mr. Rankin, but I don't think that when you talk about the HUD programs, *per se*, that there may be a dual capacity of some kind.

Now, as I said a moment ago, I think we are talking about maybe 150 HUD programs. I am not sure how many HUD programs there are. Now—

COMMISSIONER RANKIN. Let me ask, just generally speaking then you would have to conclude that it is not perpetuating or promoting, generally speaking over these? I gather that would be your conclusion?

MR. GALLI. Would you repeat that?

COMMISSIONER RANKIN. I would say generally speaking, you feel evidently that the effect of perpetuating and promoting it, that the present policy has not perpetuated or promoted dual housing?

MR. GALLI. I think in answer to your question, if I may, I think that we are doing everything that we possibly can not to perpetuate anything but to give everybody whatever they are entitled to and their just rights and just dues, and this is what we have been doing and this is what I intend to continue to do.

Now, insofar as perpetuating anything, we all know that perpetuity is a long, long time.

COMMISSIONER RANKIN. Okay.

MR. GLICKSTEIN. Mrs. Freeman, may I add a question at this point?

COMMISSIONER FREEMAN. Yes, you may.

MR. GLICKSTEIN. Mr. Galli was troubled that Dr. Rankin read a statement and wasn't specific enough that he might have been talking about 150 or so programs. Let's get very specific, let's talk about Section 235. Is that adequately specific, Mr. Galli?

MR. GALLI. Yes, sir.

MR. GLICKSTEIN. In Miss Krueger's paper she says: "The new program of home ownership for low-income people, Section 235 mortgages, is following this familiar pattern." That was the pattern that Dr. Rankin was discussing with you. "The new housing being constructed under Section 235 is in all-black areas. According to a sample taken by Commission staff, the existing houses being pur-



chased under Section 235 are old, segregated, and sometimes not expected to outlive their mortgages. The houses range in price from \$7,300 to \$17,050. The average sale price is \$12,700. There is housing in this price range available in St. Louis County yet over 50 percent of the 235 houses are located in the city of St. Louis; over 85 percent of the houses are located in neighborhoods which are all-black or in the process of becoming all-black.

"The 1960 census figure shows 80 percent of black homeowners in St. Louis living in houses built before 1940. The average house being sold under Section 235 was built in 1928. Over one-fourth of the houses have received adverse appraisal remarks, such as 'only bath serving property in basement', or 'poor maintenance', or 'expressway on east side', or 'noise', or 'value and economic life based upon repairs.' Twenty-three percent of the houses are estimated to have a physical life of 40 years or less and one-fourth of the homes were owned by the same seller, identified on FHA approval form as a 'speculator.'

"Once again, the separate housing market for black families in St. Louis is having its effect with the benefit of the Federal subsidy."

Do you care to comment on that?

MR. GALLI. Well, I have in my statement that I just gave you what we have located in 235 and I think you have that. I think that answers part of. Now, on the other, as far as 235, if we have a speculator, or we did have a speculator who probably did most of the business at the beginning of 235, Miss Krueger has seen the records, and I'm certainly not going to deny what she has seen. Now, she's talking about an absolute fact when she said she saw the files.

Now, in the inception of 235, again it was something new, and again where do we go to insure 235 cases? We go to wherever we can get people who can qualify to buy under 235 and, as we all know, the FHA has no area which they will not go into. They will go into any area regardless of where it is, whether there's a highway over here, or highway over here. Now, we have, as I mentioned again in my prepared statement, our counseling service. Now, we have two other counseling services under Section 237. One is being handled by Bi-Centennial and one's being handled by the Urban League out on Dunbar Avenue in their office of Operation Equality. And we are working very closely with them and those people at times themselves have some of these that come under 237 because of the qualifications through mortgage, credit, and so on and so forth.

I said in my prepared statement that we have made some sales in St. Louis County and a good number of them, according to my statement. Mr. Glickstein, I am not going to sit here and debate. I am going to try to tell you as truthfully as I can, that there are times when we do have inequities and at the beginning we may have. Now, what is going to tell me, or who is going to tell me, if I get

an application to process under 235 for a certain application for a certain person whether it's black or white up on Church Road in north St. Louis County or in Baden in the city of St. Louis? I must process that application. I can't help who the mortgagee is, if he's out and he's out on the street, and he's getting these applications in, I have to take those applications in, I have to take those applications from that mortgagee whether he has one or whether he has 15, as you well know, and probably know better than I do, that we have to take them. And if these people qualify, we have to insure.

Now, we are talking about people who are at least over 21 years old and if this is the house they want, if this is the location they want—and I may add one more thing in 235, I think, Mr. Glick and Mr. Glickstein, both, we are talking about people with large families in quite a few instances. Where do we put them? I talked to you about that in my office the other day when you two gentlemen were in the office. Now, if we had a black person come in and if we had a white person come in and wanted a two-bedroom house, where there are plenty of them, and if they qualify, mortgage creditwise and incomewise, it wouldn't make any difference to me. We'd insure that particular loan.

Now, that's my answer to your question.

COMMISSIONER FREEMAN. Are there any further questions? Dr. Horn?

VICE CHAIRMAN HORN. I am interested in the process, Mr. Galli, within FHA, in terms of equal opportunity. You mentioned this quarterly report, that was referred to in Secretary Weaver's letter. Mr. Glickstein mentioned it. It's prepared by a member of your staff. Do you have anybody on that staff of roughly, as I recall, 70 people who are responsible for looking at the equal opportunity aspects of your housing program, that have sole responsibility for monitoring what is done under this program?

MR. GALLI. I would say that would be my Deputy Director, yes.

VICE CHAIRMAN HORN. What percent of his time does he give to this particular aspect of HUD policy? After all, HUD has an Assistant Secretary in charge of equal opportunity, which is very unusual for a Federal agency.

MR. GALLI. Well, we give it as much time as we possibly can, Mr. Horn. After all, we do have other things in—

VICE CHAIRMAN HORN. Does he give 10 percent a month?

MR. GALLI. I couldn't answer that.

VICE CHAIRMAN HORN. Well, does he give—

MR. GALLI. I'll find out for you and I'll have that—if you could copy the report I'll have the amount of time in it.

VICE CHAIRMAN HORN. Good.

(The information referred to appears in Exhibit No. 53.)

VICE CHAIRMAN HORN. Has HUD either through your Assistant

Secretary Commissioner that you report to or through the Assistant Secretary for Equal Opportunity ever held any sessions on the problems of equal opportunity in housing and what the constituent agencies of HUD ought to be doing to really affirmatively carry out a program in this area? Have you ever been called to Washington, for example, for a conference on this subject, or to your Region where all the Regional Directors are brought in?

MR. GALLI. I think so.

VICE CHAIRMAN HORN. Well, what do you mean, you think so?

MR. GALLI. Yes.

VICE CHAIRMAN HORN. What was the conference like?

MR. GALLI. Well, it was—the conference that I had in mind was a conference back in 1967 which was, I believe, a 4-day conference and there was quite a number of things discussed and I think part of the letter that Mr. Glickstein just alluded to was part of that particular conference.

VICE CHAIRMAN HORN. But there's been nothing since 1967 in terms of bringing the directors together? To give you an example, Secretary Volpe, who feels very deeply on this subject, has called in every single one of his Regional Directors and he's really put it to them, and he said: "Gentlemen, we mean business and what you do and your success in this organization is going to be dependent upon production in this area."

They got the message very rapidly. But nothing like this has been done since '67, I take it, and it didn't seem to be done there in an aggressive manner.

MR. GALLI. I can't truthfully answer that question, Mr. Horn, whether it was or was not.

VICE CHAIRMAN HORN. I take it, 221(d)(3) projects are handled by your office?

MR. GALLI. Yes.

VICE CHAIRMAN HORN. And I notice in our briefing paper there are several in the area.

Looking at these projects in other parts of the country, there have been really great difficulty concerning them in terms of all of the factors that have to be brought in line to succeed in the project.

One problem has been sort of a paper work bureaucratic time-lagging glut, if you will.

What's your experience in seeing a couple of these projects processed? Would you have any recommendations on how we could improve the effectiveness of this program in terms of initial time? The projects I've looked at, the costs have gone up 25 percent strictly because HUD and related agencies have taken so long to process the papers. Do you have any recommendations?

MR. GALLI. I don't think it's taking anywhere near the time that it did some years ago to process papers today, Mr. Horn.

VICE CHAIRMAN HORN. What does it take on the projects you are familiar with here from initial application to final approval?

MR. GALLI. Under the accelerated multifamily plan, the big thing is now that we must have every piece of paper that we need from you, as a sponsor instead of a sort of a piecemeal situation. Now, if you came in with an application today on a piece of ground that you had and wanted to build onto a specific program, 100, 200 or whatever it was units, and within the following week our engineering department in the office plus our underwriting and appraisal can go out and make an inspection of, and then try to get some data in the office as to the economics and the possible feasibility of that particular location.

And let's say the word is "Yes," we go, and we call you back in to the office and say: "Fine, here we are, we are ready to go and here's what we need," and itemize every piece of paper that we have to have.

I can say without qualifications that within 60 days or 7 weeks we will give you a commitment. But we can't allow you to lag with papers, but here's four pieces, I'll bring you the other two tomorrow, get started on these. We've been told not to do it and we don't do it. We either have them all or we don't, but we can't process a multifamily unless it's a complicated conglomerate of some kind, but anything that we are talking about, within 60 days if we have what we have to have from the sponsor, we will have a commitment ready to issue.

VICE CHAIRMAN HORN. Let me ask you one last question.

Now, you obviously have devoted a decade almost to the public service in housing. Before that you had years of experience in the private sector. What are your reflections upon what can be done in this society to improve opportunities for housing for people of all races as far as the role of the Government and the role of the private sector? You're down on the firing line. The people can issue fancy words in Washington, be they the Congress or the President and regardless of party. But if anything is going to happen, you and the people in the community are going to have to make it happen. Have you got any advice for this Commission?

MR. GALLI. I don't know about the advice, Mr. Horn, I think I made a statement a while ago that I was willing to take the lead with some of the people and it seems like in these hearings and from what I've read in the newspapers over the last couple of days, with the hearings, there seem to be a lot of concern about St. Louis County, as that the black people have not had the opportunity or whatever the right word may be, to expand and move out into the county as free as they might like to.

Now, as I said a moment ago, I cited you almost 400 units that will be under construction. We have a public record of every subdivision or every project that we have in the office. There's letters

that go out citing these particular areas, where they are to different organizations, especially with Freedom of Residence. We keep very close contact with them. Plus the fact that I think now we may be able to, as I said I'd be very happy to take the lead with some of the powers to be in the county if it need be and see if we can't do something about the integration that we are talking about.

I don't mind telling you that I live in a neighborhood that's becoming very well integrated. And I'm perfectly happy with where I live. And I intend to stay there.

COMMISSIONER FREEMAN. Chancellor Mitchell?

COMMISSIONER MITCHELL. No questions.

COMMISSIONER FREEMAN. The witness is excused.

This hearing will be in—

MR. GALLI. Excuse me, Mrs. Freeman, may I make one remark, Mr. Glickstein?

You wanted the foreclosure addresses over the past 2 years for you, Mrs. Freeman, and the letter outlining the record that we have on integration that goes up to the Commissioner's office every quarter. Right?

MR. GLICKSTEIN. Right.

MR. GALLI. Now, where do I send it?

MR. GLICKSTEIN. One of our lawyers will give you a card.

MR. GALLI. Fine. Thank you very much.

COMMISSIONER FREEMAN. Thank you. Well, this Commission is faced with the fact that we have to have lunch. The hearing will be in recess until 2 o'clock.

(Whereupon, the hearing was recessed until 2 p.m.)

## FRIDAY AFTERNOON SESSION

JANUARY 16, 1970

COMMISSIONER FREEMAN. The hearing will come to order. Mr. Glick, please call the next witness.

MR. GLICK. Madam Chairman, the next witness is Mr. Eliot M. Alport.

(Whereupon, Mr. Eliot M. Alport was sworn by Commissioner Freeman and testified as follows:)

### TESTIMONY OF MR. ELIOT M. ALPORT, ST. LOUIS, MISSOURI

MR. GLICK. Will Counsel please identify himself for the record?

MR. SILVERSTEIN. Yes. My name is Merle Silverstein. I am attorney for Mr. Alport.

MR. GLICK. Thank you.

Mr. Alport, for the record, would you please state your name and address and your occupation?

MR. ALPORT. My name is Eliot M. Alport. My business address is 12917 Cedar Ledge Court, St. Louis County, Missouri, and I am the president of the Eliot Construction Company.

MR. GLICK. The what construction company?

MR. ALPORT. Eliot Construction.

MR. GLICK. Is the Eliot Construction Company engaged in home building?

MR. ALPORT. Yes, we are.

MR. GLICK. Mr. Alport, did your company build a subdivision in the city of Florissant, Missouri, a few years ago?

MR. ALPORT. Yes, in Florissant and St. Louis County, both.

MR. GLICK. How many homes were there in those subdivisions?

MR. ALPORT. Approximately 200.

MR. GLICK. Could you tell me the price range of those homes?

MR. ALPORT. They ranged from about \$15,000 to \$20,000.

MR. GLICK. \$15,000 to \$20,000?

MR. ALPORT. Yes.

MR. GLICK. Can you tell me what proportion of the homes in the subdivision in Florissant and the county were sold to Negro families?

MR. ALPORT. I can't tell you the exact percentage because we don't have anything in our forms or our applications which indicate race. However, I know of three or four or five Negroes who did purchase homes from us.

MR. GLICK. Out of 200 homes it would be five, would you say?

MR. ALPORT. Five that I know of. I couldn't speak for—there may be—it could have been 15 that I didn't know of. I ran into four or five.

MR. GLICK. So that's from your own personal observation?

MR. ALPORT. Right.

MR. GLICK. Can you give me some idea of what effect the sales of the homes to these Negro families had on the rest of the sales in the Florissant subdivision?

MR. ALPORT. Yes. They had a definitive adverse effect on those sales. The problem was that if we sold a home, apparently as I understand it, to a black customer on Lot A, when the next customer came along, he, having a choice of lots just as the black customer did, he chose not to be on Lot—the lot on either side of that black customer, nor the lots across the street from the customer, nor the lots behind the customer, so that all of a sudden one sale to the black customer meant that we had anywhere from five to 10 lots which our white customers preferred not to be associated with.

Also, I might say that from what I hear again from our salespeople, a black customer did not want to be next to another black customer, he would prefer to be among white customers.

MR. GLICK. From your contacts with other people in the construction business do you think that your experience in Florissant is general in the new subdivisions that are being built?

MR. ALPORT. I would think so but I don't know.

MR. GLICK. Well, if it is from your own experience and from the people that you talk to a general experience, can you give me an idea of how developers of new subdivisions try to avoid this problem, this economic blow when a Negro buys a lot?

MR. ALPORT. You can't avoid it. The law is the law. And there is no avoidance of it to my knowledge.

MR. GLICK. Well, is there any—not necessarily turning away of black people but some way of selling the lots in such a way that people are not able to not buy a lot next to a Negro?

MR. ALPORT. No. To my knowledge that just can't be done. There's just no way of doing it.

MR. GLICK. Now that all of the new housing subdivisions are covered by Federal Fair Housing law, do you think that whites still try to avoid developments where they think that black families are moving?

MR. ALPORT. Absolutely.

MR. GLICK. What do you base that thought on?

MR. ALPORT. I understand from my salespeople, people who talk to potential customers, that they will get queries quite often, saying: "Do you have any blacks in your subdivision? Will you sell to blacks?" these kinds of questions which only infer one thing to me and that's if we are they are not interested in our property.

MR. GLICK. You are currently building a subdivision in Creve Coeur?

MR. ALPORT. Yes, that's correct.

MR. GLICK. Are those FHA or VA?

MR. ALPORT. No, they are not.

MR. GLICK. They are conventional financing?

MR. ALPORT. Yes.

MR. GLICK. Have you ever been involved in efforts to insure the housing of most of the developers in the area would be available without discrimination?

MR. ALPORT. I don't quite understand that question.

MR. GLICK. Well, was there a situation—I think this probably involves your Florissant subdivision in which you were asked to participate in a—well, an agreement among developers that there would not be any discrimination?

MR. ALPORT. Yes, I was involved in such a position and told them that, yes, I would be more than happy to participate and be the first or I would accept the responsibility for saying that I will sell and not discriminate if they could get others to go along at that time. And apparently they had no success in doing so.

Mr. GLICK. Other developers would not go along?

Mr. ALPORT. Apparently not, not to my knowledge, because it never went beyond that. I said I would be more than happy to go on and I never heard any more.

Mr. GLICK. Do you know if the St. Louis Home Builders Association has any affirmative programs to insure that housing is open without discrimination?

Mr. ALPORT. No, I don't.

Mr. GLICK. You know of no such program?

Mr. ALPORT. I know of no such program. I don't think it's necessary. The law is the law and the home builders have no legal right to discriminate.

Mr. GLICK. There is one other question that I would like to ask you. In fact, there are a lot of questions I would like to ask you but, unfortunately, we are running far behind schedule.

I would like to ask you whether you think that now in 1970 there is the technical capability to build houses comparable to the ones that you are now building in your subdivision at a much lower cost using some different kinds of installations within the houses that are now being used?

Mr. ALPORT. Yes, I think that possibly this exists, technology exists today which could permit housing to be reduced in price, per square foot.

Mr. GLICK. How could this be done? What kind of technology do you mean?

Mr. ALPORT. Well, in a very general way, and I don't know specifically, I couldn't name specific areas, but many of our codes, building codes, are antiquated in many respects in terms of the various components which we are required to put into a house or new materials which have been developed which are not permitted by existing codes. The codes have not been revised to permit the use of new materials, and these new materials might be more economical to use today in terms of prefabrication, things of this nature.

Mr. GLICK. Do you think that were it not for these antiquated building codes it would be possible for private developers to build homes for low- and moderate-income people?

Mr. ALPORT. I think it would be possible to lower the price of existing construction on a square foot basis and, therefore, the house that costs \$15,000 today under this technology might be reduced in price some percentage.

Mr. GLICK. Thank you.

VICE CHAIRMAN HORN. Along that line, would you care to hazard a guess in terms of land costs, labor union practices, and building codes as to what proportion do you think this is involved in the price? Do you feel that if we get more realistic building codes we



could lower the cost of housing? Could we also get more realistic work practices, let's say, which sometimes bind the developers as to the use of prefabricated materials and this sort of thing? What's your estimate on that and also the land cost relation?

MR. ALPORT. Again I would hesitate to give any kind of an estimate in terms of dollars or percentages but I think all three of the areas which you mention certainly could have an effect of reducing costs on housing without any question.

COMMISSIONER MITCHELL. Madam Chairman, may I just comment on that question of my colleague? It's an area in which I have some minor competence. I sit as a director of a savings and loan association which has been involved in the concern for reducing the cost of housing very much for the purposes we are discussing here.

The general belief of builders with whom I have talked privately is that the average home because of codes is one of the most over-engineered things in our whole society and we build a home to stand the kinds of stresses and bear the kinds of loads and weights that it's never going to have to bear or take care of, and those engineering characteristics could be sensibly reduced, that a great deal would be saved in materials and labor.

The second, the techniques that are now used by trailer manufacturers where an entire home, for example, is built with the plumbing and the wiring all prefabricated inside, a couple of trailers properly designed could make a two-story house. One could conceive of the mobile home builders producing large numbers of extremely low-cost housing for American communities and very attractive houses with paneled walls and with modern techniques.

The fear is that once this begins labor will soon make it impractical to continue, but a great deal can be done. There isn't any question about it if one applies modern technology and some fresh insights in homebuilding, the least likely reduction is going to be in land. We are running out of land and land is just going to keep on costing more and more.

MR. GLICK. Madam Chairman, I have no more questions at this time.

COMMISSIONER FREEMAN. Chancellor Mitchell, do you have any other questions?

COMMISSIONER MITCHELL. No.

VICE CHAIRMAN HORN. I have only one question.

I know it's always hazardous to generalize about the people you run into and groups of people. You mentioned though that your salesmen had had experience in terms of sales of homes in this particular subdivision to various white people. Would you care to give us your impression as to whether these people, say, were college educated or strictly high school educated, or whether they were professionals, whether they were working or whether they were what we

call ethnic background, or whether they were strictly rural long-term American white? I am trying to figure out, does this affect some groups more than others within a largely white society?

MR. ALPORT. I could not answer that. I really just don't know.

COMMISSIONER FREEMAN. Mr. Alport, how many homes have you built within the last 5 years?

MR. ALPORT. About 400.

COMMISSIONER FREEMAN. Of the 400 how many now are occupied by black persons?

MR. ALPORT. Again I wouldn't have any figures. The only black that I can speak of are the four to six blacks who purchased that I know because I saw them as neighbors in our Florissant subdivision.

COMMISSIONER FREEMAN. Of the 400 that you have, the 46 in the subdivision, is this an all-black portion of it?

MR. ALPORT. No, I said four to six.

COMMISSIONER FREEMAN. Four to six, that's what I mean. Four to six, out of how many?

MR. ALPORT. Out of 200, approximately.

COMMISSIONER FREEMAN. Then you probably would have maybe not more than eight out of 400?

MR. ALPORT. I would say possibly; I don't know.

COMMISSIONER FREEMAN. Well, as we are concerned with the opening up of this area, could you project then about how long it would be at this present rate before there would be dispersion in the county?

MR. ALPORT. No, I really couldn't. Housing is just getting too expensive for anybody to afford, black or white.

COMMISSIONER FREEMAN. Well, you also indicated that there was running. Can you sort of guess when the white purchaser will stop running?

MR. ALPORT. No, I am afraid I wouldn't hazard a guess. They don't seem to be slowing down.

COMMISSIONER FREEMAN. Dr. Rankin?

COMMISSIONER RANKIN. Mr. Alport, you say that you have an adverse effect on surrounding lots when you sell to Negroes; is that correct?

MR. ALPORT. Yes.

COMMISSIONER RANKIN. Just out of curiosity, how do you finally move those lots?

MR. ALPORT. Well, in one instance I recall, in the—at the near completion of this Florissant subdivision we were stuck with three, four, five lots, I don't really recall how many. All of them I believe as I was told were lots which were adjacent to black families and dispersed throughout our development. And they were finally sold by us at a considerable loss to a speculator who built individual homes on them and was in a position to deal with them on a single

individual lot basis which we were not frankly in the business of doing.

COMMISSIONER RANKIN. But it's working out pretty well now, is that it?

MR. ALPORT. No, it's not working out well.

COMMISSIONER RUIZ. From a practical point of view, you must first sell them to a white, or whites, and then move in the blacks because if you started out selling to the blacks and then tried to move in the whites, it's not so practical?

MR. ALPORT. Well, as soon as you move in the blacks then you quit moving in the whites.

COMMISSIONER RUIZ. Well, which of the two procedures is the most practical from a business point of view, to sell first to the whites and then to the blacks, or to sell first to the blacks and then to the whites?

MR. ALPORT. Neither.

COMMISSIONER FREEMAN. I believe Mr. Alport said he hadn't done either. Out of 400 he sold about six.

VICE CHAIRMAN HORN. But I think that your question is expecting an answer that if you sell most of your subdivision homes to whites, they are already there, and then you can presumably sell to blacks scattered through the subdivision and that way you have not incurred an economic loss at this point. I think that's what you are trying—

COMMISSIONER RUIZ. Yes, but that's not the—he didn't want to answer the question because the question obviously calls for an answer. As a real estate man whether you had—and as a developer, you know all the problems and it occurs to me from the testimony here, if I were a developer and from a business point of view and mindful of the fact that there would be integration sooner or later, that the logical procedure would be to sell to whites first and then sell to the blacks, than the vice versa.

MR. ALPORT. Yes, I would agree with you, except that if I have 100 homes and I sell 95 of them to whites and the 96th I sell to a black, then what do I do with the 97th and 98th and 99th and the 100th?

You see, unless I happen to have five other blacks who care to purchase, and I have never experienced, you see, a situation where I have any great quantity of black purchasers.

COMMISSIONER RUIZ. I see. Just one more question.

Does the general area in which you reside have any black householders?

MR. ALPORT. In which I personally reside?

COMMISSIONER RUIZ. Yes.

MR. ALPORT. Yes, in the area that I reside we have quite a number of black homeowners.

COMMISSIONER RUIZ. No further questions.

COMMISSIONER FREEMAN. Mr. Glickstein?

MR. GLICKSTEIN. I have no questions, Mrs. Freeman.

COMMISSIONER FREEMAN. Thank you. The witness is excused.

COMMISSIONER FREEMAN. Mr. Staff Director, would you call the next witness? Mr. General Counsel?

MR. GLICK. Thank you. Madam Chairman, the next witnesses are Mr. Maceo Smith and Mr. Samuel Hudson.

(Whereupon, Mr. Maceo Smith and Mr. Samuel Hudson, Jr., were sworn by Commissioner Freeman and testified as follows:)

**TESTIMONY OF MR. A. MACEO SMITH, ASSISTANT REGIONAL ADMINISTRATOR, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND MR. SAMUEL W. HUDSON, JR., DIRECTOR, HOUSING OPPORTUNITY DIVISION, EQUAL OPPORTUNITY OFFICE REGION V, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, FORT WORTH TEXAS**

MR GLICK. Gentlemen, would you please both state your name and address and your title and explain your responsibilities briefly, please?

MR. SMITH. My name is A. Maceo Smith. I reside in Dallas, Texas but my office is in Fort Worth at 819 Taylor Street in the New Federal Building. My responsibilities I'd like to read, if you would, just for the records.

I'm Assistant Regional Administrator, United States Department of Housing and Urban Development. As such, I serve as a principal adviser to the Regional Administrator on all matters relating to equal opportunity in housing, facilities, employment, and economic opportunity and all civil rights and all other matters relating to equal opportunity.

I'm responsible to the Regional Administrator for administering the Department's responsibilities and programs in connection with equal opportunity and civil rights including under these, it would be Title VIII of the Civil Rights Act, Title VI of the Civil Rights Act, Executive Orders 11063, 11246, and 11375, and regulations, procedures, and directives of the Department of Labor, Civil Service Commission, the civil rights administrative activities of the Justice Department relating to those laws and orders, and I am responsible for assuring that all departmental policies, procedures, and activities effect and promote equal opportunity for all.

That's my title, those are generally my duties.

MR. GLICK. Thank you, Mr. Smith. Mr. Hudson?

MR. HUDSON. My name is Samuel W. Hudson, Jr. I am Director of the Housing Opportunity Division of the Equal Opportunity Office of Region V of Housing and Urban Development, Fort Worth, Texas. I live in Dallas, Texas.

MR. GLICK. If I could begin by asking you some questions, Mr. Smith.

I would like first to ask you if you could briefly describe the procedures your office follows in carrying out the Department of Housing and Urban Development's responsibilities under Title VI of the Civil Rights Act of 1964, which provides that no person shall be excluded from participation in or denied the benefits of any Federal program because of race, creed, color, or national origin. What are your procedures for carrying out this responsibility?

MR. SMITH. Title VI of course as you have indicated carry with it this policy of nondiscrimination. We, first with program and program activity within the departmental jurisdiction of the Regional Office, review the—first the programs which would relate to sites. These sites of course as to their location, avoidance of prospective discrimination. Then as to the program activity that would be carried on on such site.

Urban renewal, of course, a continuing activity in the disposition of the land. And other programs. After checking the program itself, then to monitor and to review such activities as the program develops.

MR. GLICK. When you say checking the program you mean the documentation that is submitted?

MR. SMITH. The application.

MR. GLICK. The application?

MR. SMITH. Yes.

MR. GLICK. Does your follow-through include onsite field surveys by staff people?

MR. SMITH. Yes.

MR. GLICK. How many staff people do you have available for this kind of work?

MR. SMITH. The division that is responsible for the Title VI activity is headed by a Director and five assistants. Now, this includes all programs of the assisted nature, FHA, urban renewal, et cetera.

MR. GLICK. One thing I failed to ask you, Mr. Smith, that I think is important is: How large is the territory covered by your office?

MR. SMITH. Eight States.

MR. GLICK. Could you name the States for us, please?

MR. SMITH. Texas, Oklahoma, Arkansas, Louisiana, Colorado, and Kansas. I hope I got eight. Missouri.

MR. GLICK. And to cover these States you have five professional staff people?

MR. SMITH. For the assisted program activities that would relate to Title VI, yes.

MR. GLICK. Now, could you, carrying further on programmatical-ly, could you describe the procedures followed by your office in carrying out the Department's responsibilities under Executive

Order 11063 which prohibits discrimination in housing under Federal programs?

MR. SMITH. 11063 as of November 1962; provided that for sanctions on builders and real estate people who refused or denied equal opportunity in access to housing. My procedure has been that the FHA office where such activity would occur would be to have the Director to report that act of discrimination to me, and I refer specifically to one in Baton Rouge, Louisiana, where a prospective buyer went into the area, he got the concerned houses from newspaper ads and then checked with my office as to find out how he could get a house.

I asked him to drive through the area and then if he was refused, he and his wife—I am giving you now an actual case—when they showed up after checking by telephone on each of these houses, six of them, they visited the offices of the respective six and were denied in each case.

This then was referred to the New Orleans office for a hearing. This was prior to the advent of Title VIII. And based on this action, the FHA Director set in motion the action to apply sanctions on these, both the builder and the real estate person. And then, later on, the matter was referred to the Department of Justice and action was taken in terms of a lawsuit.

MR. GLICK. Well, have you required any affirmative action program from the FHA insuring offices?

MR. SMITH. I get from the FHA insuring offices, and this is a matter of monitoring, it isn't checked all the way through, quarterly reports on this letter that was referred to that came from former Commissioner Brownstein.

MR. GLICK. And you get reports from the St. Louis insuring office?

MR. SMITH. I have had reports from the St. Louis insuring office.

MR. GLICK. Could you, if you just happen to remember the particular letter from the St. Louis insuring office, could you recall and perhaps show what some of the material contained in one of the most recent letters from the St. Louis insuring office?

MR. SMITH. I'm sorry, sir, but I don't have that information of a recent vintage, I mean, this isn't uniform from all offices and I am in the process of course of tightening up on this operation. I can't recall a recent report from the St. Louis insuring office.

Now, these reports of course would go to the Commission and the Commission would send a copy to me for following up. But I don't recall.

MR. GLICK. The letter does not come directly to your office, it goes to the Commissioner of—

MR. SMITH. That's right.

MR. GLICK. I see. May I ask you, whether under Title VI there

have been any compliance reviews of departmental programs in the St. Louis area?

MR. SMITH. I don't recall. I would be glad to check and add this to the file, however, if it would be needed.

MR. GLICK. Yes, I would appreciate it if you could at your convenience.

Now, in the event, and I don't know whether this has occurred within your region or not, but in the event that you were to find that there was a violation of Title VI in an assisted program, under the Department, what steps would your office be able to take in order to overcome this?

MR. SMITH. The program activity where Title VI prevails, the actual enforcement or the actual carrying out of this is the responsibility of the Program Director. In that case it would be the Assistant Regional Administrator for such a program, like renewal or FHA and so forth.

My report would go to him with recommendations, with a copy going to the Regional Administrator and a copy for the counterpart in Washington. Then I would tag that particular complaint and then within reasonable time, say 3 months or so, check back to see what action has been taken.

MR. GLICK. So that the responsibility for correcting this deficiency under Title VI would be with the program people?

MR. SMITH. Yes.

MR. GLICK. Has there been a Title VI noncompliance action in your Region?

MR. SMITH. To my knowledge I don't—I will check this and supply this for the record. I don't recall now.

MR. GLICK. In addition to the case that you mentioned from New Orleans—

VICE CHAIRMAN HORN. At that point, have you recommended that a Title VI noncompliance action be taken in this Region, not whether there is an action, but I would just like to know, have you at all ever recommended and based on your analysis of reports that such an action be taken?

MR. SMITH. In the St. Louis area?

VICE CHAIRMAN HORN. No—well, first in your whole Region and then we can get to St. Louis.

MR. SMITH. Yes.

VICE CHAIRMAN HORN. You have made recommendations but in the whole Region then none for various reasons of higher levels than you have decided not to take this action?

MR. SMITH. I didn't say that, sir.

VICE CHAIRMAN HORN. Well, that's what I am trying to decipher.

MR. SMITH. Well, the answer is No. The answer I am trying to give you is that there have been recommendations made by me on

Title VI matters but I don't recall in St. Louis County any such recommendations.

VICE CHAIRMAN HORN. Now, let me ask you, in the Region, have you made recommendations on Title VI matters which have not been carried out at the Region because you were simply overruled as an Assistant Administrator might be overruled by an Administrator?

MR. SMITH. It's possible.

VICE CHAIRMAN HORN. Well, did it happen? You say it's possible. Has it happened?

MR. SMITH. No.

VICE CHAIRMAN HORN. It has not happened?

MR. SMITH. No.

VICE CHAIRMAN HORN. In other words, if no action has been taken it's because you have not made the recommendation that it be taken?

MR. SMITH. Well, there is one or two that I know of now that are in process and they are—one is being processed by the Department of Justice. Another, of course, is within the province of the program. These are two that I recall at the moment. But if there are others I'll supply to the record.

VICE CHAIRMAN HORN. But you have not been overruled to your knowledge?

MR. SMITH. No.

MR. GLICK. Okay. Mr. Smith, in addition to the one case that you cited in New Orleans in which the Executive order was involved, have there been any other complaints specifically from the St. Louis area that you know of?

MR. SMITH. I don't recall, sir.

MR. GLICK. And in addition—well, I would like you to describe more fully what procedures are followed in the Region under the Executive order if there is a complaint?

MR. SMITH. You are speaking now of this Executive Order 11063?

MR. GLICK. Yes, sir.

MR. SMITH. The same as I gave, that is that it's processed through my office and in consultation with the FHA office of jurisdiction, and an attempt made to resolve it.

MR. GLICK. I'm not sure whether you were here this morning to hear the staff report, Commission staff report, that one of our staff members delivered which indicated very clearly through statistics and geography that there are really two real estate markets in St. Louis County and in St. Louis city to some extent, one for black people and one for white people. I think it was fairly well documented and I am wondering if you did not hear this report this morning whether you personally are aware of this fact?

MR. SMITH. I'd be inclined to agree with that, sir, and would say that HUD is, through my office, and other resources are vigorously



trying to eliminate this and some progress I would say is being made.

MR. GLICK. Can you tell me what techniques or methods you are using to eliminate this?

MR. SMITH. The one is through process of technical assistance which my office provides. We've had several meetings with the Director and his staff at the FHA level, we've had meetings with various civic groups, we've had consultation with builders and real estate brokers, we've had consultation with the black brokers in this area, and I think it would be for the record's sake to know that I am one of the founders of the National Association of Real Estate Brokers which was specifically organized when Negro brokers could not become Realtors, and through this process I still maintain my connection with this organization and was here last summer when we—when the national meeting of this matter of fair housing and democracy in housing was considered. Well, it is through this process that we hope through these resources to change this dual system.

MR. GLICK. Thank you.

I would like to now ask Mr. Hudson some questions, if I may.

Mr. Hudson, how long have you been Director of Equal Housing Opportunity in the Fort Worth office?

MR. HUDSON. Since about January 1st of '69. Somewhere in there during the period of reorganization. Maybe a little later.

MR. GLICK. I'm sorry, I missed that last—January 1st?

MR. HUDSON. Probably January 1st, it might have been a little later.

MR. GLICK. And you were one of the officers in Mr. Smith's office, I presume?

MR. HUDSON. Yes, I work directly under Mr. Smith.

MR. GLICK. I see. And in the period of time that you have been with the program which is now 1 year, and it's now about 18 months since the Fair Housing Act of 1968 went into effect, have you seen any lessening of discrimination in housing as a result of this legislation?

MR. HUDSON. In some ways I've seen a lessening of discrimination in housing. The thing that appears to be encouraging is that more minority group people are hearing about it and more minority group people are learning what their rights are and at the same time it seems as if there's a tendency in some places for an increase in voluntary compliance by people in the profession.

MR. GLICK. In the real estate profession?

MR. HUDSON. Building and real estate, home building and real estate.

MR. GLICK. How has this voluntary compliance been evidenced to you?

MR. HUDSON. It has been evidenced to me in observation of certain cities and certain things that they have done. For instance, a national professional organization requested that we have a display of material and pass out information which some years ago would not have. Now, in the cities we are finding that we get a few pleasant surprises as we talk to people and we find that nonwhite families in many instances have moved into areas of various cities that they have not normally lived before, and it hasn't created as much disturbance as it would have in past years.

But now, the surface is only being scratched. There's a tremendous need for continuous education of both minority groups who can participate in these problems according to the legislation that has been established and there is a continuous need to increase the rate at which voluntary compliance will occur by people who are in the industry.

MR. GLICK. Mr. Hudson, do you have any staff members, professional staff members, working with you?

MR. HUDSON. I have seven who work with me in the division.

MR. SMITH. Mr. Glick, may I add just a little to this other question that you asked?

MR. GLICK. Yes, sir, please do.

MR. SMITH. One of the aspects of technical assistance through my total staff is to encourage as they move about, talking with the mayors of cities in the outset, let's say, and the passage of legislation ordinances and so on, meetings with fair housing groups, the question of meeting with local builder groups.

Now, next week, for instance, I will spend the greater portion of the week in Houston, Texas at a meeting of the National Association of Home Builders where we will be meeting and talking with people on this whole front. The question of real estate boards that we talk to and encourage them through voluntary compliance inasmuch as it's the law of the land, so let's get some glory out of this rather than be forced to it. So that this is a process that I continually encourage at my staff, all of them, the three divisions, to do as they move about through the community.

MR. GLICK. So you see that a part of education?

MR. SMITH. Oh, yes.

MR. GLICK. Along that line I would mention—I don't know if you gentlemen were here this morning but we heard testimony from three real estate brokers, all of whom said that they had not received any literature of any kind explaining Title VIII of the Civil Rights Act of 1968 to them and their responsibilities under the law and what the provisions of the law were. And they seemed to indicate to us that they would have found that somewhat helpful to them because they were somewhat puzzled and unsure.

Have there been any mailings of this kind of literature to people in the real estate business or have they just failed to get it?

MR. SMITH. I would suggest that the—in fact, the FHA office in the St. Louis community is our outlet to the home building industry and we encourage each operator of the office to distribute this literature and to talk with the professionals in this group.

We send this information also and we don't have a list of every broker or builder now. We don't mail it out like that but we put it in spots where they can get it.

MR. GLIGK. I was specifically wanting to ask Mr. Hudson if he might think this might be a useful device for bringing the brokers some knowledge about the law.

MR. HUDSON. I think it would be a very useful device. This past year for the first time perhaps the Texas State organization of the same type met and invited us to set up a booth and pass out literature and make explanations and answer questions, which I think was leading in this same direction of voluntary compliance, education for that.

We would be happy to come to the same State meeting in Missouri and do a similar thing.

VICE CHAIRMAN HORN. Could I ask at this point, has a pamphlet been designed in layman's language to tell the members of the real estate profession what his obligations and responsibilities are under both the Executive order and the law?

MR. HUDSON. Yes, it has.

VICE CHAIRMAN HORN. How long are these pamphlets?

MR. HUDSON. They are very small pamphlets, something like this.

VICE CHAIRMAN HORN. How many pages is that?

MR. HUDSON. It is briefer than this.

VICE CHAIRMAN HORN. Could we have that introduced in the record at this point?

COMMISSIONER FREEMAN. So ordered.

(Whereupon, the documents referred to were marked Exhibits No. 24, 25, and 26 and received in evidence.)

MR. HUDSON. Let me give the exact one that I think would be—

VICE CHAIRMAN HORN. Or submit it. Let's just put it in the record so we see what's being disseminated.

Now, has your office or the Regional Administrator ever required the Program Directors to affirmatively and aggressively carry out a program in this area, not just you gentlemen going to meetings and talking with groups or responding to groups but has there been an attempt to say to the St. Louis FHA Director in this case, through the Assistant Administrator of the Region, FHA: "Look, this is our responsibility, let's make this one of your priorities"?

MR. SMITH. Better still, Mr. Horn, on the 4th and 5th of December we had a 2-day meeting in Fort Worth where all the FHA

Directors and other program people were called in, with Mr. Romney, the Secretary; Mr. Gulledge, the Assistant Secretary for FHA and both I and the Assistant Secretary for Equal Opportunity appeared on this program for 2 hours getting over to FHA Directors and all the program people, following up Mr. Romney's speech the day before that not only is this the law of the land, but based on the morality and intent of this legislation we want to see you do it.

Mr. Gulledge didn't bite his tongue about it. He said, "Now, this, you fellows are going to have to do."

VICE CHAIRMAN HORN. Now, let me ask you about that line, you mentioned the Assistant Secretary for Equal Opportunity. What is the relationship of your particular role and function as a Regional Assistant Administrator for this function to the two Assistant Secretaries? What kind of communications go back and forth on a particular complaint.

You, I take it, are in a staff relationship to the Regional Administrator, who in turn reports to a program Assistant Secretary in Washington, D.C. Is that correct?

MR. SMITH. Not exactly. I have two functions. I have both a staff function dealing with assisted programs. Then I have a line responsibility on the implementation and the execution of Title VIII of the Civil Rights Law. So that I, in addition to the Regional Administrator and the delegation of authority from the Secretary, have the responsibility and I deal directly on these fronts with the Assistant Secretary on Title VIII matters.

VICE CHAIRMAN HORN. Could you give an order to an area or city such as the city of St. Louis Program Director in FHA or would you have to get the concurrence of the FHA Assistant Regional Administrator before that order could be carried out? Do you have that line responsibility?

MR. SMITH. FHA is a program and as such I would be dealing through the Program Directors, Assistant Regional Administrator for FHA. But if it's a question of Title VIII action that affected the St. Louis office then I would deal directly on this with an order which would be upon of course the concurrence or the direction of the Assistant Secretary for Equal Opportunity, Mr. Simmons.

VICE CHAIRMAN HORN. And you could not be overruled by an Assistant Regional Administrator for the program?

MR. SMITH. No.

COMMISSIONER FREEMAN. Mr. Smith, my question is with respect to your Title VIII responsibilities.

I don't know if you heard the testimony from a previous witness who was a developer of subdivisions who indicated an economic disadvantage, as he saw it, if he sold a house to a black family, and which also indicated that this is the pattern.

On the basis of this testimony I would like to know if you would

tell this Commission what would be the—what is the responsibility of your office in the administration of Title VIII? Is your office complaint-oriented? Do you have to wait for complaints or is there any way in which you can initiate action to correct the situation?

MR. SMITH. I think you have about three questions there and I would like to take them seriatim.

In the first place, I don't agree with the gentleman that now property values are being depressed because a black moves in because under the enlightened real estate financing system now people are beginning to realize that these people are screened and a black can keep the neighborhood up as well as the white, so I don't agree with the gentleman that *ipso facto* blacks moving in, prices drop, he can't sell his property any more.

Number 2, yes, Title VIII is complaint-oriented but that does not preclude my office or the office of the Assistant Secretary from initiating activities where it is clear that there has been and there are continuing violations, so that we would be concerned in areas where we have open knowledge. Now this, of course, I would move in and in light of Title VIII upon the advice and direction of the Assistant Secretary.

COMMISSIONER FREEMAN. Mr. Glick?

MR. GLICK. I have no further questions.

COMMISSIONER FREEMAN. Are there any other questions the Commissioners have?

VICE CHAIRMAN HORN. Just one question.

I think as you can see from the questioning here and the other questions that the members have asked we are concerned with a process of how you get a job done. If you had your druthers do you think you could accomplish more for civil rights if you were, say, a Program Director or in your particular role? Do you feel some days that you are just sort of knocking your head against the wall and talking to Program Directors? In a sense they have got an ongoing bureaucracy, they have hundreds, thousands of people spread all over the United States, they see their priorities in terms of perhaps either moving paper, getting homes built or issuing loans, whatever, and the problem is how high in their priorities can your office or this Commission or the President and Congress get the equal opportunity function?

MR. SMITH. Sir, my own opinion without prejudicing any situation of bureaucracy, that I think the direct approach to civil rights is the quickest way and the most effective way of getting action.

VICE CHAIRMAN HORN. Do you feel Program Directors really take this seriously?

MR. SMITH. Well, if I get the drift of your question, you, I assume, are saying, would they do it? Now, as I said, the democracy itself is a good thing, but there must be basic equal furor and

dedication and concern in this matter of civil rights. But now with the present state of affairs in this country we've got to act very quickly and we can't wait for a whole lot of action surveys and otherwise to be done, that we are going to need to move into these situations and get action on these fronts.

And if you are asking my personal opinion and I am giving it to you without prejudice to the operation.

VICE CHAIRMAN HORN. Thank you.

COMMISSIONER FREEMAN. Thank you.

MR. HUDSON. I would like to say this is only a sample of material that I will leave. There's other material of this type.

COMMISSIONER FREEMAN. Mr. Glickstein has a question.

MR. GLICKSTEIN. I have a few questions that I hope will clarify for the record what the chain of command is in this whole area.

Mr. Hudson, if you found in some area in your Region that Title VIII wasn't being effectively implemented by those with responsibility you would report that to Mr.—who would you report that to? Would you report that to Mr. Smith? Is that right?

MR. HUDSON. Yes, I would report it to Mr. Smith.

MR. GLICKSTEIN. Mr. Smith, who do you report to? Do you report to the Regional Director or do you report to the Assistant Secretary for Equal Opportunity?

MR. SMITH. Assistant Secretary for Equal Opportunity.

MR. GLICKSTEIN. Do you report right to Washington?

MR. SMITH. Yes.

MR. GLICKSTEIN. What is your relationship with the Regional Director?

MR. SMITH. On Title VIII matters it's a line responsibility and it's coordinated through staff action. I'm a member of the top staff. We meet weekly to coordinate all of the activities of the Region. But so far as Title VIII is concerned, this authority delegated to the Regional Administrator by the Secretary and the Assistant Secretary is delegated to me as a line responsibility.

MR. GLICKSTEIN. So that reports from Mr. Hudson coming to you about Title VIII infractions, you would report to the Assistant Secretary for Equal Opportunity in Washington? Is that correct?

MR. SMITH. That's right.

MR. GLICKSTEIN. Now, if the people that you have in charge of the Executive order are making certain that it is properly implemented or that the people that you have in charge of the Title VI program reported to you that there are infractions, where do you go from there?

MR. SMITH. This I have to go through program activity.

MR. GLICKSTEIN. There you would go through the program. If the urban renewal program, for example, was not in compliance with

Title VI, you would go to the individual in charge of urban renewal in the Fort Worth Region?

MR. SMITH. Yes.

MR. GLICKSTEIN. And if you found some serious infraction, if nothing was done about it, then what's your recourse?

MR. SMITH. The question through then the Regional Administrator, I would appeal the case to Washington and the appropriate Assistant Secretary of that program at the Washington level which would result in action of the various types.

Now, on program activities also, my office has the last signing off on applications that are made for funding so that I'm the last one that signs the document. Then to the Regional Administrator. Then from the Regional Administrator to Washington.

VICE CHAIRMAN HORN. Have you ever refused to sign a document?

MR. SMITH. Yes.

VICE CHAIRMAN HORN. What has happened as a result of your refusal to sign a document? Has conformity occurred?

MR. SMITH. Has what?

VICE CHAIRMAN HORN. Has the particular group then conformed to the policy, or what's happened?

MR. SMITH. They either conformed or they have had problems of funding.

VICE CHAIRMAN HORN. Well, in other words, the recommendation is not gone forth for funding, is that correct? I don't quite understand.

MR. SMITH. Well, put it this way, if, let's say, the Regional Administrator and in the particular case that I'm speaking of, there was concord on that particular case. On another case of overruling mine then Washington has the responsibility of acting on this application.

VICE CHAIRMAN HORN. Just to clarify in my own mind, you operate under how many authorities? You have Title VI responsibilities of a staff nature, you have Title VIII responsibilities of a line nature?

MR. SMITH. Right.

VICE CHAIRMAN HORN. Now, what other responsibilities in terms of source of authority do you have?

MR. SMITH. Well, I have Executive Order 11246, which is a contract compliance. Now, this again is a staff responsibility.

VICE CHAIRMAN HORN. A staff responsibility?

MR. SMITH. Yes. In addition to that I have 11375, relating to sex, discrimination of sex. This is a staff responsibility.

VICE CHAIRMAN HORN. Okay. So there's four broad areas, three of which are staff and one of which is line, out of which your office operates under.

Now, this, I wonder in an impressionistic response on your part,

in these areas to what extent of the staff areas have you been overruled at higher levels?

MR. SMITH. Very, very rare.

VICE CHAIRMAN HORN. Very rare?

MR. SMITH. Yes.

VICE CHAIRMAN HORN. Does one area seem to be more than others where you are overruled?

MR. SMITH. Well, no, I would say it's rare. I wouldn't say that there is any particular program.

VICE CHAIRMAN HORN. Is this an overruling at the regional level or the Washington level?

MR. SMITH. Well, this particular case I am speaking about is the regional level.

VICE CHAIRMAN HORN. I see.

And would you have any appeal over that on the staff relationship? You would appeal to the Assistant Secretary of Equal Opportunity in Washington, could you?

MR. SMITH. Yes.

VICE CHAIRMAN HORN. Have you ever appealed to him when you were overruled at the regional level?

MR. SMITH. Yes.

VICE CHAIRMAN HORN. Has anything resulted as a result of this appeal?

MR. SMITH. Well, the case that I am speaking of, it's still in limbo.

VICE CHAIRMAN HORN. So essentially there was one appeal above the Regional Administrator to the Assistant Secretary of Equal Opportunity and it has not been resolved?

MR. SMITH. No.

MR. GLICKSTEIN. Mr. Smith, the testimony that we heard this morning in way of a staff report indicated that most of the 235 housing that is being made available in the St. Louis area seems to be perpetuating separate areas. Is it your responsibility to look into things like that?

MR. SMITH. If a question was raised, say, this particular question that was raised by the report, I will look into that as a matter of getting the information that this exists, but I haven't had it called to my attention by any local civic groups, nor any individuals that would feel that this has happened, but I will if it would be of any service to the Commission, to take a look into that and supply you with additional information.

MR. GLICKSTEIN. It certainly would be now. If you looked at our report and concluded that the 235 Program in the St. Louis area was perpetuating segregated neighborhoods who would you then make a recommendation to, the Regional Administrator of FHA?



MR. SMITH. Yes. Then through him to the Regional Administrator.

MR. GLICKSTEIN. To the Regional Administrator?

MR. SMITH. Yes.

MR. GLICKSTEIN. And then if nothing were done—

MR. SMITH. Then Washington.

MR. GLICKSTEIN. Now, our staff report that was introduced this morning, also indicated that in a number of the urban renewal projects that were approved for St. Louis County, the portion of the application of the prospectus that indicated where the persons being dislodged were going to be relocated—and these persons were black—indicated that they could be relocated to the city of St. Louis, to the public housing projects in the city of St. Louis.

In other words, our report seems to show something that I, personally, was not aware of before this report, that not only has the Federal Government played a role in confining blacks and encouraging and making it possible for white people to move to the suburbs, but the Federal Government has also played a role in removing black people from the suburbs back into the cities.

Would you see the portion of the urban renewal proposal that indicated where the people were going to be relocated, too?

MR. SMITH. Yes, I would be reviewing such reports, and I am not prepared to answer this particular question now, but will look into it.

MR. GLICKSTEIN. I hope you have a copy of our report.

MR. SMITH. I'd like to have it.

MR. GLICKSTEIN. And we certainly will supply it for you. These are the sort of questions that I suspect we will be raising after the hearing. But if you discovered that the relocation program was unsatisfactory in an urban renewal area, what would you do then?

MR. SMITH. Same thing. In other words, I would, through the program action, make the recommendations for specific performance in connection with the law and if no action was taken then through the Regional Administrator and to the Assistant Secretary for that counterpart in Washington, through Mr. Simmons' office, of course, the Assistant Secretary for Equal Opportunity.

MR. GLICKSTEIN. Have you ever recommended that the relocation program was inadequate, improper?

MR. SMITH. I don't recall, sir.

MR. GLICKSTEIN. I have no further questions.

COMMISSIONER FREEMAN. Chancellor Mitchell?

COMMISSIONER MITCHELL. Gentlemen, the same question to both of you. I'm really asking it as a layman. I've been sitting here listening now for about half an hour, 40 minutes of this description of what you do and trying to identify with you as a person living in St. Louis who has got some troubles.

Am I correct in assuming that this is true about both of your situations, that you are heavily overloaded, that you are understaffed, that in any event it's going to take a long time from any particular situation that is initiated or that's fed to you between the time you receive it and the time that there is an effective response, that fundamentally you are situated so that you respond to complaints and that you don't have the time or the facilities or the setup to pursue aggressively independently the conditions in the area for which you are responsible?

MR. SMITH. I would certainly agree, plus the fact that the staff has to be trained and the people that we are developing now, and perhaps as we move into this, we cover more territory but you have got to have experts to do this sort of thing that you don't create immediately.

Furthermore, with the type of operation we have, covering three fronts, the entire assisted program area, the matter of contract compliance and jobs and business development, and this is this new order that the President has issued, 11475 on jobs and business for minority people, and then the investigation conciliation under Title VIII, you can easily see that you've got a burden there and it's frustrating sometimes but if you know that we are dedicated to it as we try to be, because I've been in this business now 31 years and came in it when it was a question of blacks almost had no rights in this, similar to the Scott Decision, but we moved into it now with *Jones versus Mayer* and we've established rights and in Title VIII of the Civil Rights Law I think what we used to have to deal with in terms of a sales job, we can do it now with a tap on the wrist plus a bludgeon on the head, if required, to get some action.

COMMISSIONER MITCHELL. But my original comment is still valid, that is, you are overloaded and understaffed?

MR. SMITH. Yes.

COMMISSIONER MITCHELL. Fundamentally, you are forced to get where the problems are too late with relatively too little.

MR. HUDSON. I would like to say in addition to that, we need more money, too, for travel, because quite often in the planning of travel, we have to plan travel in order to reach the most people, and we could do a better job by meeting some of the people at different times.

COMMISSIONER MITCHELL. Thank you.

COMMISSIONER FREEMAN. Thank you. Mr. Smith and Mr. Hudson, you are excused.

MR. GLICK, will you call the next witnesses?

MR. GLICK. Yes, ma'am. The next witnesses are Mr. and Mrs. Larman Williams and Mr. Adel Allen.

(Whereupon Mr. and Mrs. Larman Williams and Mr. Adel Allen were sworn by Commissioner Freeman and testified as follows:)

TESTIMONY OF MR. AND MRS. LARMAN WILLIAMS, FERGUSON,  
MISSOURI AND MR. ADEL ALLEN, KIRKWOOD, MISSOURI

MR. GLICK. Will you please state your name and address and occupation?

MRS. WILLIAMS. I am Geraldine Williams. I live in Ferguson and I am a teacher at State School 13 for Trainable Retarded Children.

MR. WILLIAMS. My name is Larman Williams. I live at 21 Buckeye Drive, Ferguson, Missouri. I am the assistant principal at Halter High School in Wellston, Missouri.

MR. ALLEN. My name is Adel Allen. I'm an engineer at McDonnell Douglas Corporation. I am editor of "In Our Opinion".

MR. GLICK. Did you state your address?

MR. ALLEN. 924 Ohlman, Kirkwood.

MR. GLICK. Kirkwood, Missouri?

MR. ALLEN. Yes.

MR. GLICK. Thank you.

If I can begin the questioning with Mr. Williams. Where did you live, Mr. Williams, before you moved to Ferguson, Missouri?

MR. WILLIAMS. I lived in the 4600 block on Westminster in St. Louis.

MR. GLICK. St. Louis city?

MR. WILLIAMS. Right.

MR. GLICK. Why did you decide to move out of the city of St. Louis?

MR. WILLIAMS. Why, a number of reasons. I guess mainly where we were, we were dissatisfied with the facilities, we were dissatisfied with the clientele in and around the block. There was high crime in the area, in the neighborhood and on the block, there were attacks on neighbors. One lady across the street was hit on the head with a hatchet, robbed, murdered. Down the street from me on the left a lady was raped and was found the next morning in the nude. And people were prostituting all around and under us and in the apartment, that kind of stuff.

My child was chased from school through an alley by someone, some man who was trying to seduce her. And for all of those reasons I just was afraid to come home to find my family maybe dead or my child raped, or just afraid.

MR. GLICK. So for reasons of family security you felt that you did not want to stay in the city?

MR. WILLIAMS. That's correct.

MR. GLICK. Why did you decide to move to the city of Ferguson? What led you to Ferguson?

MR. WILLIAMS. Well, first of all, I had some knowledge of the community. I'd lived close by there, in Kinloch, which was an all-black community and used to drift over to Ferguson and look at those lovely houses over there, and when they were all segregated,

and just wondering—generally I wanted to find a home, and I wanted to locate in an area where I could get the best facilities for the amount of money that we were paying and fire service and police protection, where the crime rate was low, like any other citizen would want.

MR. GLICK. How long have you now lived in Ferguson?

MR. WILLIAMS. About 19 months.

MR. GLICK. Did you encounter any difficulty in making the purchase of your home?

MR. WILLIAMS. I most certainly did.

MR. GLICK. Would you describe it for us, please?

MR. WILLIAMS. Yes. After looking around, I guess we looked around for a year or so, and my pastor, who, incidentally was a white fellow, found out that we were looking for a place and he lived over in this area and he saw two or three places for sale, and asked me if I would like to live in Ferguson.

We had looked around University City and in Florissant and some other communities and the housing for the price and the size of them, we didn't like it as well as we did this one when we finally got to see it. And he took us by this particular house over on Buckeye and we looked at it, just passing. We didn't get a chance to go in at the time, and we saw it and we thought we would like to get inside and see it.

And we took the name off of the sign and called the real estate people and of course they didn't call us back at that time. About 3 or 4 days or so we still hadn't heard from them and my pastor called me again and asked me had I gotten any information on the house. And I told him I left my name there several times and we had called but the real estate people wouldn't call us back. So he asked me if I would mind if he would look into it and get the price of the house and all of details that we would want to know, and I told him I wouldn't, and he got this information. And I said: "Well, that sounds good, I think we can handle that price and that kind of a thing."

So he went to the owner of the home and told him that he knew of a person that wanted to buy the house and would they consider selling to me. And the owner said that he didn't mind but his neighbors were not in the mood for selling to black people and—so, it didn't drop there.

My pastor went and knocked on their doors and he got them together and they had a caucus and a prayer meeting and decided that it was only the right thing to do, to sell to a black person.

And then the person, the owner, called the real estate people and they came and got in contact with me and we made the transaction from there.

MR. GLICK. How long did it take you before the whole transaction was finally completed?

MR. WILLIAMS. I would imagine it was about 6 months.

MR. GLICK. It took some special doing, it wasn't just your wanting to buy a house and buying it?

MR. WILLIAMS. That's correct.

MR. GLICK. I would like to ask Mr. Allen, where did you live before you came to Kirkwood?

MR. ALLEN. I lived in Wichita, Kansas.

MR. GLICK. And did you come here because of a job situation?

MR. ALLEN. Yes, I was offered a position with McDonnell Space Center.

MR. GLICK. How did you happen to decide to live in Kirkwood?

MR. ALLEN. Well, because I wasn't allowed to live any place else, mainly. We tried other places. They were usually third floor apartments in the inner-city and we were accustomed to wide open spaces. So we were able to find a place in Kirkwood, and in the Negro section of Kirkwood.

MR. GLICK. What was the racial composition of the block in which you now live when you first started looking at the house?

MR. ALLEN. The block that I live in now was approximately 30 white families and one black.

MR. GLICK. How long ago was that?

MR. ALLEN. That was in 1962.

MR. GLICK. 1962, so that's 8 years ago?

MR. ALLEN. Right.

MR. GLICK. What is the racial composition in that block now?

MR. ALLEN. Approximately 30 blacks and two whites.

MR. GLICK. How rapidly did that change take place, Mr. Allen? Was it something that began and snowballed, or how did it take place?

MR. ALLEN. Well, we were not offered this house through a normal channel. I happen to have acquaintances prior to buying the house, and an angel with \$5,000. So after moving in we were given a little welcome and the next day "For Sale" signs were up.

MR. GLICK. You mean a welcoming party?

MR. ALLEN. Well, some of the neighbors that lived there told us that they welcome black people and told us that they are glad that we came and all that but the next day we saw the signs going up "For Sale" all around us.

MR. GLICK. And then it just progressed that way?

MR. ALLEN. Oh, yes, the only people that are left are—let me put it this way—are the ones that are too poor to leave, you see.

MR. GLICK. Is that the same racial characteristic that you described on your block and the movement that is taking place true

of the surrounding blocks in Kirkwood, of the whole neighborhood, so to speak?

MR. ALLEN. Well, generally when they start going in that direction, they do go all-black. Is that what you mean?

MR. GLICK. Yes. Let me ask you another question.

When you first moved there in 1962 in Kirkwood, how would you describe the city services such as sewers—I mean garbage collection, fire protection, police protection, things of that nature?

MR. ALLEN. Well, I think we've got more police protection than we required when I first moved there. I don't know if they were protecting me or protecting someone from me. We had patrols on the hour. Our streets were swept neatly, monthly. Our trash pickups were regular and handled with dignity. The street lighting was always up to par. All of the services were—the streets were cleaned when there was snow, et cetera.

MR. GLICK. Have those services been maintained?

MR. ALLEN. No, they've almost gone completely to pot.

MR. GLICK. Have your taxes gone down?

MR. ALLEN. No, my taxes have not. I can't recall seeing the streets being cleaned the last year. We now have the most inadequate lighting in the city. You can tell when you are in our area by the inadequate lighting. The trash pickup is still regular because we know the trashmen, you see.

MR. GLICK. You have contacts?

MR. ALLEN. We have an inside track there.

Now, we have the people from the other sections of town that now leave their cars parked on our streets when they want to abandon them. We have three now. I reported three this morning. We have a problem with dogs. And we have—in other words, what they are making now is a ghetto in the process. The buildings are maintained better than they were when they were white but the city services are much less.

Other sections of the city I believe are being forced to take sidewalks, for example. We are begging for sidewalks. Other portions of the city are being forced to get curbs. We can't even get them to come out and look at the curbs.

MR. GLICK. Do you have an association of the residents on your block, Mr. Allen?

MR. ALLEN. Yes, we have one of the few surviving block units in the city of Kirkwood.

MR. GLICK. Has your association ever complained as a group to the city about the deterioration in services?

MR. ALLEN. Yes. Well, I think we would be in complete isolation if it were not for the complaints. We have several tactics that we use to get adequate service. It takes a determined effort to get the dog catcher to come over, or the mosquito control group to come over and

spray. We have to have chain phone calls, for example, to get the things that already belong to us.

MR. GLICK. I would like to ask you a question, and perhaps you might think it too personal to answer, but we were talking in terms of real estate values earlier today. I'd like to ask you if you would tell me, and I'm really not going to press the point, but can you tell me what you paid for your house when you purchased it in 1962?

MR. ALLEN. Yes. \$16,000.

MR. GLICK. Can you tell me what you think its current market value would be?

MR. ALLEN. \$18,000.

MR. GLICK. I see. And that would be generally true of the houses on your block?

MR. ALLEN. Well, I'm not basing this on inflation alone, it's just a matter of improvements that I've made.

I wanted to say, I probably could have afforded a better house, but there wasn't any place to buy better houses, or living in a higher priced home.

MR. GLICK. Thank you. I would like to ask Mrs. Williams some questions, if I may. Mrs. Williams, how many children do you have?

MRS. WILLIAMS. Three.

MR. GLICK. Are they all of school age?

MRS. WILLIAMS. Yes.

MR. GLICK. Where do they attend school?

MRS. WILLIAMS. Two attend at Lee Hamilton Elementary School and one at Ferguson Junior High School.

MR. GLICK. So they were in school when you lived in St. Louis?

MRS. WILLIAMS. Yes.

MR. GLICK. How did they find the transition from St. Louis city to the suburban schools?

MRS. WILLIAMS. Well, at first my daughter that's in junior high school now, she found it a little difficult. The terms that the teachers used were quite different from those in the city, but a teacher did take time with her and gave her a list of words to go over, and Larman, Junior found it a bit difficult, too, and his teacher did give him special attention.

MR. GLICK. This was on an academic level. Did they have any social adjustment problem?

MRS. WILLIAMS. Yes.

Two boys jumped on my daughter and the father was there, and he told his son: "Beat that black girl up, don't let her beat you up." And this was taken to the principal and he solved the problem. He called a meeting with the student body and told the student body that the blacks were in the school to stay and that they would

have to get used to it. And he also explained why they had to enroll in the Ferguson area, they are in the district of Ferguson.

MR. GLICK. I take it that the boys who were attacking your daughter were Caucasians?

MRS. WILLIAMS. Yes, they were.

MR. GLICK. I would like to, if you will let me, retract what I asked a minute ago. I asked if your children had any problem in social adjustment, but what I really meant was, did the other children have problems adjusting to them? I think I stated it backwards.

Do you have much of a social relationship with your neighbors, Mrs. Williams? I mean the ladies in the neighborhood?

MRS. WILLIAMS. Not very much. There are two families that I associate with. The others, they know me but they don't care to associate with me. This is the way it seems. The only time they will speak to me is when I'm at a PTA meeting at school. Other times, in the grocery store or the department store they will try their darndest to get away. And I make no attempt to speak to them.

MR. GLICK. So they try to avoid you?

MRS. WILLIAMS. That's right.

MR. GLICK. Not to indicate that they know you which would suggest that perhaps you live near them; is that what you think is the motivation for that?

MRS. WILLIAMS. That's right. Could be.

MR. GLICK. I would like to return now to ask Mr. Allen another question.

You mentioned the police in your area. Have you ever personally been stopped by the police in Kirkwood or other municipalities nearby?

MR. ALLEN. Yes. I don't think there's a black man in South St. Louis County that hasn't been stopped at least once if he's been here more than 2 weeks.

MR. GLICK. To what would you attribute that?

MR. ALLEN. There's an almost automatic suspicion that goes along with being black. It's something to do with the credibility of a black man. There's an attempt, I call it a conspiracy, no one else does, but there is an obvious attempt toward emasculation of the black man.

I've been stopped, searched, and I don't mean searched in the milder sense, I mean laying across the hood of a car. And then told after they found nothing that my tail light bulb was burned out, or I should have dimmed my lights, something like that.

VICE CHAIRMAN HORN. What police department was that? In your particular area?

MR. ALLEN. Yes, in my area.

VICE CHAIRMAN HORN. I mean, but is this a city police depart-



ment, a county police department, a State police department. who stopped you in a situation like that?

MR. ALLEN. City.

VICE CHAIRMAN HORN. The city where you live?

MR. ALLEN. Yes.

VICE CHAIRMAN HORN. All right.

MR. ALLEN. But, I mean, this is nothing unusual for black people. You seem amazed.

VICE CHAIRMAN HORN. Well, it depends on what part of the country you are from, you know, and it depends on what police department, I think.

MR. ALLEN. Well, in the area in which I live, you would have to consider it a little bit South of Mississippi because we still have some segregated schools there.

MR. GLICK. You have segregated schools in your area, Mr. Allen?

MR. ALLEN. Yes, we do. We have four, I believe. There of them are segregated for all-white and one is segregated all-black.

MR. GLICK. What city is the all-black school?

MR. ALLEN. Meacham Park.

MR. GLICK. In Meacham Park?

MR. ALLEN. Yes.

MR. GLICK. Is that the Meacham Park that is part of the county, that's the Meacham Park County School?

MR. ALLEN. Right, that's exactly one block from where I live. It's in my neighborhood.

MR. GLICK. Yes, I know the area. And there are three schools that are all-white?

MR. ALLEN. Yes, There are three schools that are all-white. They are in the city of Kirkwood.

MR. GLICK. In the city of Kirkwood?

MR. ALLEN. Yes.

MR. GLICK. You have children of school age, do you not?

MR. ALLEN. Yes.

MR. GLICK. What school do they go to?

MR. ALLEN. They go to Robinson School, which is recently integrated with much effort.

MR. GLICK. Could you tell me what grades your children are in, high school or elementary school?

MR. ALLEN. I have one in junior high; three in elementary.

MR. GLICK. I was asking Mrs. Williams and you, also, about children, and it's the American way to move to the suburbs so that children can have the space, better education, and all of those things that we think of as being good for children.

Do you think that kind of dream becomes a reality for black children in the suburbs as you have experienced it?

MR. ALLEN. Well, for the first black ones it's rather tough, but

somebody has to break up the new territory, you know, and my children have adjusted very well to it. They have constant instructions in pride and they are not alone in this white school. When it was integrated it was integrated on what we call the Princeton Plan in Kirkwood. That is where schools are paired because of their racial composition.

The little black children had to travel much greater distances to get to their school. This was pretty right. This was another effort at discouraging us. But, then, when we get to high school we find that we produce the greatest athletes.

MR. GLICK. Your children seem not to have had any unpleasant experiences although they may have had that none of us would ever know about.

MR. ALLEN. Well, they do have unpleasant experiences. My oldest daughter was the cause, I think, of me being involved in this whole thing, just the fact that a white teacher told her that she wasn't qualified to be given Number 1 position in the class. Even though she was Number 1, they didn't want her to get the big head. So that's when I got involved.

MR. GLICK. She was told by a white teacher that she wasn't qualified?

MR. ALLEN. No, she wasn't—well, it wouldn't do her any good to be told that she was Number 1, even though she was.

MR. GLICK. How did the teacher explain that?

MR. ALLEN. She didn't want to give the child a superiority complex.

MR. GLICK. Have there been any other kind of experience that you, or other children, that you know of, have suffered some kind of injury psychologically, possibly physically in moving to the suburbs?

MR. ALLEN. Well, we have numerous things that happen. But corners where black children cross, and they are living in clusters, crossing guards become unnecessary. This is the first year that black students had studied the fact that there is a Negro history, for example, in this district, and this took a tremendous effort. This is the first year that they found out that black girls are coordinated enough to become cheerleaders. This just happened.

And this is why I say we are a little bit South of Mississippi.

MR. GLICK. Thank you, Mr. Allen.

I have no further questions, Madam Chairman.

COMMISSIONER FREEMAN. Mr. Ruiz?

COMMISSIONER RUIZ. That was a brilliant discourse. No questions.

COMMISSIONER FREEMAN. Dr. Rankin?

COMMISSIONER RANKIN. I have a question.

Have you tried the political solution? Is it absolutely out of the question to run anybody for political office?

MR. ALLEN. Well, we took—we have a newly organized Afro-

American Club at the high school. Through their efforts they were able to make a survey of the parents—I mean of the students of the high school to find out how many of them had racist attitudes. They had a little blank. And there was something like 95 to 5 racist. So we decided not to run anybody.

COMMISSIONER RANKIN. Well, I come from a section of the South, from Durham, North Carolina, and we have two Negroes on the city council, on the school board, and they've acquired these positions, and the white people accepted it, and there's no trouble. It looks like it's much worse up here where you have *de facto* segregation than down South where we had other varieties.

MR. ALLEN. Well, in Durham, North Carolina, they have a history. That's where a lot of these black uprisings started, you see, and they have a higher ratio of determined unconditioned blacks that live in North Carolina.

COMMISSIONER RANKIN. I am with you.

MR. ALLEN. They are South of here.

COMMISSIONER RANKIN. A little bit, they are in the minority in Durham County and without the cooperation of a lot of whites, they have to get white votes to get elected.

MR. ALLEN. Yes, but what I'm saying, Kirkwood, the South St. Louis County area is composed of approximately 7 percent blacks. And I'm sure North Carolina has more. At least you have something to get a significant vote from, you have a nucleus to work with.

COMMISSIONER RANKIN. Yes, it's true we have about 25 percent. But it's—the present time is a mighty good time to start.

MR. ALLEN. Well, if we can get people elected that are fair-minded this is our objective now, not necessarily black or white, but just fair-minded people. We'll consider this a tremendous step in the right direction.

COMMISSIONER FREEMAN. Dr. Horn?

VICE CHAIRMAN HORN. I was going to pursue Dr. Rankin's question. How is the city government in Kirkwood organized? Do you have councilmen elected on a district basis or are they elected at-large?

MR. ALLEN. I use the term I heard earlier, that's another trick bag.

The councilmen are given functions rather than a particular district. We have a councilman in charge of streets.

VICE CHAIRMAN HORN. I don't mean that, I mean, do the people of Kirkwood have a chance to vote for all the councilmen elected? In other words, when you have an at-large councilman it means there is no geographic district. The argument that I am leading to is, which is what Dr. Rankin was pursuing, sometimes when you have a city divided into districts even if people vary, ethnic, racial compositions are in these areas, if it's a district system they have an

opportunity at least to get a voice in the city council because many of their people are living there and they can vote for them, whereas if you have a city government running at-large, you with 7 percent population, would strictly be overwhelmed and you would never get a chance presumably unless you had a substantial majority of whites to support you.

I was curious, what goes on in Kirkwood?

MR. ALLEN. It's an at-large basis.

VICE CHAIRMAN HORN. It's at-large.

MR. ALLEN. In fact, we have had trouble. We don't even have a typist in city hall, much less a councilman. We just got our first black policeman 2 months ago. First time in the history of Kirkwood.

VICE CHAIRMAN HORN. Now, I noticed that you work for McDonnell Douglas. Is that at their plant near the airport?

MR. ALLEN. Yes.

VICE CHAIRMAN HORN. When I came here, I noticed Kirkwood, although there is an interstate highway leading up there it's fairly far away from that plant. Was there other housing comparable that you liked in the area near the plant and for some reason you really weren't able to move into it?

MR. ALLEN. Well, I think that would be accurate to say, but the reason that we ended up in Kirkwood was almost by accident. We were on our way back to Wichita and we stopped there to take one more look.

VICE CHAIRMAN HORN. In other words, all other areas closer to St. Louis, you felt there was discrimination in housing until you at least had one chance in this sma'l section of Kirkwood?

MR. ALLEN. No, it wasn't a matter that we felt there was discrimination. When we came into town that night, and I think I have a fairly unusual family, when we moved here, we gave the movers our furniture and we all got in the car and came, no preparation at all. We saw the motels on Lindbergh, we decided to get one. As I go into the door the "No Vacancy" sign comes on, you see. And the man tells me: "Sorry, I must have missed the sign, there's no vacancy." I started back to the car. There's a whole line of motels. He gets on the phone and as I back out of the drive, as I go down Lindbergh Boulevard I see "No Vacancy" signs coming on, and as we head to the city. So it wasn't a matter of me feeling there was discrimination, you see, I didn't feel it.

COMMISSIONER FREEMAN. Chancellor Mitchell?

COMMISSIONER MITCHELL. Mr. Allen, you did say earlier in your statement that when you came here you wanted to live in a home in the suburbs because you had been accustomed to the wide open spaces?

MR. ALLEN. That's correct.

COMMISSIONER MITCHELL. Did you come from some place where it was better? Were conditions better where you came from?

MR. ALLEN. Like I said, we were from Wichita, Kansas, which geographically is South of here, which in fact as far as racial tone is concerned, it's about 100 miles North of here. As far as living conditions, in that particular city you lived where you could afford to live.

COMMISSIONER MITCHELL. It's reassuring to know about Wichita.

MR. WILLIAMS, has another Negro family bought a house in your block or immediate area since you moved in?

MR. WILLIAMS. No, not in my block, but somewhere in relation to where we are, but at some distance.

COMMISSIONER MITCHELL. What would you think would be the likelihood of someone else on your block selling to a black family?

MR. WILLIAMS. It's pretty tight and the people in that area have a general understanding with each other that they don't want to do it to each other. By that I mean to sell to another black. They also—this has been related to me by whites in that area that I've gotten acquainted with, when I moved there one white fellow that was very skeptical of me and my family didn't want to have anything to do with us, and he watched us and he observed us and he found out—this particular neighbor as he watched us and observed us, and later he saw me outside in the yard, and he came over and invited me over to his home and we got to talking.

And there was a black golf professional, playing Jack—white professional—and it seems as though the black guy was going to win, and in fact this neighbor was pulling for the black golfer to win, and when he didn't, he was disappointed and he was surprised and got to crying and I said: "What's wrong?" And he said: "I called you over here because I thought this black man was going to win." And I said: "Big deal, what's the problem?" And he said: "Well, I'm a bigot, I'm a bigot, and I thought this black guy was going to win and I wanted us to see it together."

And we went on talking and he said, he got to telling me about how the people were talked to each other in that area and they didn't want two blacks moving in together, side by side, that kind of stuff.

I patted him on his back and told him I understood.

COMMISSIONER MITCHELL. These are more human relations problems than human rights, if you want to call them, than civil rights. It seems to me that what we've heard here is terribly depressing and not very revealing because any thoughtful person who sees this area and listens to 2 days of testimony must know what is going on. These problems are human rights problems and no credit to the city of St. Louis and the county of St. Louis and the suburban area around it, and I think that perhaps thoughtful people here who read your testimony and hear what you have to say may in some

numbers be touched and be inclined to view this situation differently. At least I would like to hope so.

COMMISSIONER FREEMAN. Mr. Glickstein, do you have any questions?

MR. GLICKSTEIN. Mr. Allen, I take it that your interest in promoting the Princeton Plan in the schools in Kirkwood suggests that you believe that integrated schools are a good thing. Is that correct?

MR. ALLEN. That's correct. I think it's a good thing for white students and black students mainly because in the future you will have to compete with me sooner or later and you might as well start early.

MR. GLICKSTEIN. Mr. Williams, you are an assistant principal in the Wellston School System, is that correct?

MR. WILLIAMS. That's correct.

MR. GLICKSTEIN. What is the racial composition of the Wellston School System?

MR. WILLIAMS. I would say now it is around 85 black to about 15 percent white.

MR. GLICKSTEIN. And your children attend the Ferguson School System. Is that correct?

MR. WILLIAMS. That's right.

MR. GLICKSTEIN. And approximately what is the racial composition of that?

MR. WILLIAMS. About 95 white to about 5 percent black.

MR. GLICKSTEIN. How would you compare the education received by the children in the Wellston School System with the education received by your children in the Ferguson School System?

MR. WILLIAMS. I think the education in Ferguson School District where my kids reside is much better because of the amount of money that the district can afford to spend on the education of their students. By that I mean they can afford better teachers, they can afford more teachers, the pupil-teacher ratio can be lowered, they can spend more money in experimenting and finding new ways of teaching, new techniques, better facilities, and resources, and specialists for kids who are having difficulty, technical assistance in training in language arts, and just the whole works in the county, in my district.

Wellston, on the other hand, cannot afford that kind of an educational program.

MR. GLICKSTEIN. Do you think that when your children graduate from school in Ferguson they will be many steps ahead of the children who graduate from Wellston High School?

MR. WILLIAMS. That's my hope.

MR. GLICKSTEIN. Thank you.

VICE CHAIRMAN HORN. Let me ask one final question which I had

asked Mr. Alport, who is a developer who previously appeared. Perhaps you heard his testimony.

I was curious, it's hard to generalize, as I said earlier, about people but when you moved into these neighborhoods, do you have any impression as to the background or type of white people that were in these communities who were, for example, were they college educated, were they high school educated, were they professionals working, were they Appalachian white, Southern, you know, two-century old whites, were they ethnic immigrants, so forth?

I'm trying to find out what are we dealing with here.

MR. ALLEN. You are talking to me?

VICE CHAIRMAN HORN. Either you—or all of you, I'd like you to respond.

MRS. WILLIAMS. Well, I think there's a mixture of all of them. Some are educated, some have expert jobs and technicians, and there's old people there who are very unfriendly and have been there for many years and don't know their next door neighbor. And I think there's just a combination of all.

VICE CHAIRMAN HORN. In other words, there's a little—Chancellor Mitchell mentioned in terms of human relations, there's a little inhumanity to man even among white to white, not really among whites and blacks.

MRS. WILLIAMS. That's right.

MR. ALLEN. In my own case, the price of the house which I occupy would let you know that it was a neighborhood of lower-income whites. In fact, I don't know of one that left that had a degree.

The character of some of the people that were in the neighborhood was questionable, and what I'm saying is that they were—they had bad conduct, they weren't good neighbors. Some of them were litterers and I wouldn't allow my kids to play with some of their kids.

VICE CHAIRMAN HORN. Well, I agree with Chancellor Mitchell and I am sure the whole Commission's impression of your testimony is probably one of the most helpful bits of testimony and yet one of the most depressing, and I know it can be repeated hundreds of thousands of times over in this country.

One point you mentioned earlier which I think deserves a little underlining is the reasons why you wanted to leave the area that you lived, you, Mr. Williams, had mentioned it in terms of crime, mugging, and so forth. I think too often whites and blacks in this country forget that black citizens are just as concerned about crime in the neighborhood as white citizens are and want decent housing and decent opportunities and a decent life. And I think that point needs to be underscored and I think you very effectively underscored it.

COMMISSIONER FREEMAN. Thank you very much. The witnesses are excused. Do you have something you want to say?

MR. ALLEN. Yes.

I am supposed to say some things for about 20 neighbors of mine and one of them is the fact that we do want this police protection and that we strive for better education and we like law and order and we like nice, beautiful neighborhoods. And this bit about—these differences between blacks and whites and the desire of blacks and whites have no real basis at all. People are so amazed at the fact that we like a nice, clean neighborhood, that churches have arranged tours to ride through our street to tell their members that: "See, they are human," you know what I mean?

So I wanted to make sure that this Commission knows that there's been a lot of things said here previous to our coming that it tends to make good reading, but it don't ring out to be facts. There's been a lot of things that have been said about the good life of St. Louis County that are not true.

COMMISSIONER FREEMAN. Thank you. The witnesses are excused and we will be in a 10-minute recess.

COMMISSIONER FREEMAN. Counsel, Mr. Bradley, will you call the next witness.

MR. BRADLEY. The next witness will be A. J. Wilson and Mrs. Leo Drey.

(Whereupon, Mr. A. J. Wilson and Mrs. Leo Drey were sworn by Commissioner Freeman and testified as follows:)

**TESTIMONY OF MR. A. J. WILSON, DIRECTOR, UNIVERSITY CITY HUMAN RELATIONS COMMISSION AND MRS. LEO DREY, UNIVERSITY CITY, MISSOURI**

MR. BRADLEY. Would you each state your name and address for the record, please?

MRS. DREY. My name is Mrs. Leo Drey, 515 West Point, University City.

MR. WILSON. A. J. Wilson, 5047 Waterman, city of St. Louis.

MR. BRADLEY. Mr. Wilson, what is your occupation?

MR. WILSON. I am the director of human resources for the city government of University City.

MR. BRADLEY. How long have you held that position?

MR. WILSON. For approximately 18 months.

MR. BRADLEY. Could you just briefly explain your educational and experience background for this position?

MR. WILSON. Yes. I hold a master's degree in urban studies from Yale University, was active in the city of New Haven in poverty work and in redevelopment work, also in neighborhood, working



with neighborhood organizations and groups in the Dixwell neighborhood of New Haven. And from this I came to St. Louis where I was in private business for about 1 year and then took this position which involves work with the human relation commission and work with other departments of the city in housing and other affairs.

MR. BRADLEY. Would you briefly describe the movement of black people in University City, when it began?

MR. WILSON. Black people first began to move in University City in number in—at the end of 1964. It was basically started by a situation with a developer on the north side of the city. I'll use this map to point out to the Commission so they can get some approximation, since I'll probably use streets.

In the far north corner of the city, the northeastern end, there was an area of open land which the developer wanted to develop as a multifamily development. The zoning was refused on this upon the urging of the residents of the area surrounding there.

He subsequently constructed single family ranch type residences which sold in the area of \$25,000, or \$20,000 to \$25,000. After having trouble selling the homes, as one of the factors, and also I believe there was some resentment on his part toward the neighbors who had opposed his first idea of development which was for multifamily, he turned over the sale of these residences to a Negro Realtor and all of the residences in that subdivision were sold to Negro families.

From there, over the last 5 years, subsequent numbers of black families moved into this area, moving into the eastern end, north of Olive Street Road and then the movement began to move west through the city and down into this area with some location in the apartment areas. All of this area is basically single family residence.

MR. BRADLEY. This area is in between Delmar and Olive?

MR. WILSON. Yes.

If I could go by wards for a moment since the Third Political Ward is north of Olive Street Road and the Second Political Ward is between Olive Street Road, which runs east and west through the city and Delmar, which runs east and west through the city.

Again, that first movement occurred in what is our Third Ward. Then there was integration began in the Second Ward.

One pattern that was identifiable also, of course, was that in this area, mid-area of the city and south, we have older two-story residences. Basically north of Olive there are ranch type homes, many developed after the Second World War. It's actually the newest section of the city. And then there were some ranch style development here in the west end of the Second Ward. These are more expensive homes running in the area of \$30,000, plus.

We have found in the last few years that black people have bought here extensively, also. Although this map here, which is a study for 6 months and which I will leave for the Commission, does indicate a pattern of purchase in the city over a period of 6 months,

which indicates that we have integration all along this area, greater numbers of black families are buying north of Olive and in this west area subdivision. Very few, almost imperceptible amounts buying south of Delmar.

MR. BRADLEY. Could you tell us what the racial composition of University City is now?

MR. WILSON. Presently, according to our best estimates, and we have to estimate before 1967 when we have statistical data that is somewhat more reliable after that, we would estimate that the population is between 16 and 18 percent black, the rest being white with some Oriental families living in the city.

MR. BRADLEY. Why did black families single out University City as a place to move in your opinion?

MR. WILSON. I don't necessarily believe that they singled out University City although there were factors that would have encouraged their movement to University City. One, of course, was this subdivision opening up which was the first opportunity to buy in this area of St. Louis County. Secondly was the type of community that University City was itself. In 1964 University City passed fair employment ordinances, public accommodation ordinances, and has had a human relations commission since 1960 with legal powers to enforce this.

In 1965 there was a debate on an open housing law and while an ordinance was not passed there was a policy statement accepted by the council of the city which empowered the human relations committee to actively investigate all complaints on housing, so there was a philosophy of open housing adopted by the government officials of University City. This, I think, also encouraged black persons to move. They said it was welcomed, at least by a segment of the community that supported this action.

Then also University City is directly contiguous on the west to the city of St. Louis and the west end of St. Louis directly contiguous to University City had of course already become a heavily integrated area and it was a natural movement pattern to continue the movement from one's old neighborhood to a neighborhood somewhat near.

This was, of course, also true northeast of us where Wellston is located. And there was some movement from Wellston.

Finally, I think when the movement began and when there was somewhat acceptance of this we found blockbusting and we had blockbusting occur in our community which was also of course something that encouraged movement artificially. We were forced to pass ordinances, local ordinances, outlawing blockbusting and ultimately were forced to pass an ordinance which restricted all real estate solicitation in our city to eliminate the practice of real estate companies coming in purchasing property. We had speculators come into the community in the same way.

Then, also, I believe that finally what has occurred is that we have

a mere reference system like one has in any other situation where black citizens of our city say to black people in other areas of the city: "There's a good house down the street, why don't you move in?" So once this development begins one would expect just as it has for most other people, if you have a friend who needs a house and you know it, you make a reference.

Then also north of Olive, and again I go spacially to remind you that's the area here, I think without a doubt this was quickly accepted by the real estate industry as an area that was going to be black. Therefore, their location of clients who came would be in that area, and statements that they would make would discourage whites from buying in the area and encourage blacks to buy in the area.

Of course, we also had the same phenomenon that most suburban communities do have of white families leaving the community because of integration. This made more units of housing available on the market again, particularly north of Olive, than would normally have been made available.

MR. BRADLEY. You indicated or mentioned a couple of ordinances that the University City passed. Did University City also pass an occupancy ordinance?

MR. WILSON. Yes, we did.

MR. BRADLEY. Would you briefly describe that?

MR. WILSON. Yes. Well, in 1964, about 1964 or 1965, the ordinance was suggested and it wasn't until 1967 that it was passed.

There was a concern, I think brought to the attention of the community without a doubt by the fact that the community was becoming integrated, that one would begin to experience overcrowding and other phenomenon that had occurred in the city of St. Louis, subdivision of dwellings, overcrowding of the schools, et cetera.

The original ordinance which was passed was a residential occupancy permit modeled somewhat after the commercial occupancy permit which required that before a unit of housing could be occupied by a family they must apply for the permit. Its purpose at that time was merely to determine whether or not they were a proper size for the unit according to the housing ordinance and whether or not they were in fact a single family moving into a single family unit, which is under our zoning laws. These were existing laws and this was an enforcement technique.

After about 1 year this was combined with a program of code enforcement and this I think makes the occupancy permit one of the most important tools that we or any other city could have, so that now before a unit can be occupied, when the person comes in to apply for the permit, the unit must be inspected and brought up to code standards.

This, and I do have a summary report very quickly to just give you an idea of what this has led to, over a 5-month period, we were able to inspect some 3,000 buildings in University City and to correct

some 5,488 building violations in University City which I think would even go beyond what the city of St. Louis, though it exceeds us in population probably tenfold or more, has been able to do, and I would be glad—this is a report that I would be glad again to leave with the Commission. It explains a little more of what is involved.

I would like to say that in relationship to the permit we feel that in order to provide orderly community development, in the midst of some of the pressures that were being brought on the community, it was necessary to bring this control as other controls like the solicitation ordinance and the anti-panic ordinance and also we forbade the inclusion of real estate signs for sale of property. That was another ordinance.

These ordinances, the real estate ordinances especially, were designed to withdraw from the community the pressures of the real estate industry. This ordinance was designed to provide neighborhood maintenance and I think has finally been very effectively used in this way by combining it with the code enforcement program.

We have the only systematic code enforcement program that I think you could find almost anywhere in the United States.

MR. BRADLEY. Mr. Wilson, is it possible that the occupancy permit could be utilized in such a way as to exclude black persons from an area if the city so desired?

MR. WILSON. Again I would put it this way, I think any tool can be used to exclude blacks and I think we in this society have used every tool at our disposal to exclude blacks. I think that the occupancy permit must have certain protections involved in it or else, yes, it could be used as such a tool.

The system that we used in University City, I think has those protections. There must be a clearly stated ordinance which defines what are the requirements of the permit so that it's not like the verbal voter's test, you know, that was used in the South, you don't qualify because you haven't said what I want. It could be an insidious thing if a city were allowed, for instance, to say, "How many children have you got?" and after that answer was received, say, "You are too big for the house regardless."

Secondly, the affidavits stating the size of the family in our situation is filled out by the applicant and signed. If there was any question on discrimination it would be a very simple matter in our situation to take the affidavit which the applicant signed, compare it to the unit which was included on the application and check the zoning and housing laws and determine whether or not he had been refused on the proper basis. This would be true for both black and white.

If this is not built in in a written way then I think there are the possibilities of using it to exclude. I also believe very honestly that some of the communities in St. Louis County north of us where black

migration began in the last 2 years looked at the occupancy permit because they felt that it was a tool to keep blacks from moving into the community. And having appeared at meetings for information for these people, I have clearly stated it was not, and I don't think it can be effectively used that way even if they tried it, but I certainly believe that there were some communities who originally thought that that was one of the purposes of it.

MR. BRADLEY. Let me ask Mrs. Drey a few questions and we will come back to you, Mr. Wilson.

Mrs. Drey, are you involved with a group called the University City Residential Service?

MRS. DREY. Yes, I am.

MR. BRADLEY. Could you speak into the microphone, please? What does this group do?

MRS. DREY. I am on the board of directors and the University City Residential Service tries to keep track of houses for sale and for rent and apartments for rent and makes this information known to people who come seeking housing in University City.

MR. BRADLEY. Why was this organization formed?

MRS. DREY. We were formed, and I've been trying to remember when. I can't remember when we were formed. There were some women, I guess, who got together and it was a few years when it became very apparent that real estate dealers were actively dissuading white potential buyers from looking, particularly north of Olive, but it was becoming apparent that they were saying not either you should—white people should also not look north of Delmar, which I think—when I think of University City I like to think of 10 grade schools. This would delete eight out of 10 grade schools from possibly having white—new white entrants.

So that if you believe that racial integration is something you want to maintain you cannot have a pattern of white flight and only blacks moving in because then it's a matter of a very short time before you have an all-black community, which is really what was set in the minds of many people and still is, I think.

You know, there are many of us who thought that there were enough white people, residents of University City and potential residents, who really absolutely want to live in a racially integrated community.

MR. BRADLEY. You mentioned the real estate patterns. Have you been working with any fair housing groups where you have come in contact with this sort of practice?

MRS. DREY. Well, I personally spend most of my time working with black families. Is that what you mean?

MR. BRADLEY. Yes. What organization was that?

MRS. DREY. Well, I started working with Freedom of Residence a few years ago. I started working at the University City Residential Service. I've been working in civil rights since I was about 17 and

majored in anthropology in college because of an interest in race relations. But I worked—I helped set up University City Residential Service feeling that it was important to get through to white people that University City was still a viable community. And I found when I—you know, that I sort of always wanted to be talking to black people who were moving in or thinking of moving in and sort of wanting to say to them, Look, if all blacks, particularly black leader types with whom I had some contact, if they all moved into University City it was just a matter of time until there was re-segregation. So that I worked with Freedom of Residence and we had been at that time, and I am afraid still have, you know, they kind of question some of my approaches being racist or something, I don't know. So I sort of, they didn't seem to appreciate that, you know, I kind of don't say everything should be left up to choice.

I think that we've got to really try to help black people move outside or into new areas, particularly those who are committed to civil rights progress.

I worked with Freedom of Residence for a year and then I worked with—again, then I set up UCRS' filing system, and then immediately I started working—I worked all last year with Operation Equality at the Urban League.

MR. BRADLEY. And what were you doing with Operation Equality?

MRS. DREY. I was a volunteer and I had volunteers working for me. I worked just about every day last year setting up filing systems of housing in new areas. I didn't pay attention to, like 26 municipalities in the Normandy School District because I think that would include Northwood and Pasadena Hills, or whatever it's called. You know, I think that Normandy is another school district which real estate dealers, I mean black and white, you know, would be very happy if the ghetto just would kind of reshape itself and take care of blacks and Normandy and U City and leave the rest of the county Parkway, et cetera, all-white. So that I try, we try, to keep track of houses under \$20,000, for instance, that were for sale in other areas and we try to keep track of apartments that were for rent in other areas.

MR. BRADLEY. How many white families have moved into University City through the efforts of your organization?

MRS. DREY. Well, we really weren't organized until June of 1968. At that time, and we were given free space—I mean really before that we didn't exist for all intents and purposes.

At that time we were given free space in the Midland Presbyterian Church north of Olive at Henley, and we opened up offices between 9 and 3, you know, so we had regular hours week days. And since June of 1968 we have placed over 500 families in University City which as a volunteer, basically a volunteer, organization, I think it's pretty remarkable.

MR. BRADLEY. How many of those were white and how many black?

MRS. DREY. Of the over 500 they were just about all-white. I just got these figures today, let's see, there have been over 1,700 families who have actually come in and we do not give any help over the phone because we just have a few lines, it's impossible. So we've had over 1,700 families come in and of those, 151 were black. And of the 151, we helped 17 rent in University City, we helped four purchase in University City, and we've helped place 15 families get rental and purchase property outside of University City.

MR. BRADLEY. And the rest of the families were white families?

MRS. DREY. Oh, yes, the rest were white. And of the other, you know,—we really, we know—when I say over 500, what we call successes, or when I say whatever it is, black families, 25 or so, you know there are more, more of this. But we just don't know. So I don't know what happened to the other families.

MR. BRADLEY. Thank you. Mr. Wilson, let me ask you one more question.

What in your opinion is the future of University City as an integrated city?

MR. WILSON. I think the future of University City as an integrated community is fairly good, dependent upon the movement of forces in the right direction in the pattern we've seen.

A comparison study we did over 2 years indicated that we have at least stabilized, you know, in the number of black and white families moving into the city which would indicate that we are not experiencing the kind of acceleration that other communities have when they become integrated.

Between August '67 and August '68, we had 690 units of housing occupied by whites, 861 by blacks. Between August '68 and '69 we had 840 by whites and 719 occupied by blacks.

I think one of the reasons that this has occurred is that the communities north of us have become open to blacks for housing. I think the picture though is clear unless there is the ability of black families to purchase across St. Louis County. Then I think it's indisputable that there's going to be developed a black ghetto in northwest St. Louis County, especially including the smaller municipalities north of us, probably extending into our city as far as Olive Street Road, which I pointed out on the map before.

We have other forces working on our community that tend to sort of separate this in a way for University City. Clayton, which is to our south, and which is the government center and most rapidly expanding commercial and business center, is having its own forces upon housing in the southern area and is one of the reasons why I would say, you know, in essence it has almost been reserved for white families by the real estate industry because it's still a very viable white market in their thinking.

I don't think that we have had appreciable change in attitude from the major institutions in this metropolitan area that has been

putting so much pressure on us all along. We are still receiving complaints about financing institutions that are refusing to issue mortgages because this is a so-called transitional area. We are still having housing discrimination charges especially south of Delmar being brought to our attention.

We still know that housing is not being shown to blacks in other communities and we know that it's not being shown to whites in our community.

We have been working on educational programs with some of the real estate companies and we received some cooperation but I don't think that it has been significant enough to really show that there's any basic movement taking place.

I think it's incontrovertible that you are going to have a black ghetto in the northwest St. Louis County unless there's an aggressive policy of opening up houses in all areas of St. Louis County.

MR. BRADLEY. Is there housing available in the county for low-income persons?

MR. WILSON. Very little. And, of course, this is one of the hottest issues in St. Louis County that extends I would suggest all the way up to associations of low-income housing with multifamily housing.

It took, I believe, many, many months for the county to be able to locate to everybody's satisfaction 600 units of Turnkey housing on scattered site basis. There was some problems in dealing with the location of sites for Operation Breakthrough which is the HUD program for preconstructed housing or new methods in housing.

I did a great deal of work in the area of low-income housing last year, speaking many places and appearing on many panels with many people. And without a doubt to me there's a direct identification on the part of most people that low-income housing means blacks and some of the first resistance to it—there are two resistances—class and this is reflected in St. Louis County, I must say, by both long-term black and white residents. And then there's also race which is being reflected in areas of St. Louis County.

I think when we looked at the far west areas of St. Louis County we find resistance to apartment development which certainly has some relationship to school districts and financing of schools and all of the other problems that are mentioned but also which certainly among a number of the people is a way of insuring that you don't have black immigration. There's an identification and low-income housing unless it is developed in the metropolitan area in a sensible way, the only other solution is going to be build the city of St. Louis as practically a residential area for low-income people, because the distribution of incomes, you know, is so greatly different. I think the 1968 FHA housing survey showed that the per capita income of black families in the city of St. Louis was about \$4,000 for a family.

The per capita income of the normal county residents is in excess



of \$9,000. So we have an extreme financial separation and the present process is the only construction of low-income houses still taking place in the city of St. Louis, and even small scattered site housing development is very hard to find openness on the part of the county residents to accept this.

MR. BRADLEY. Madam Chairman, I believe Mr. Wilson mentioned that he had some reports and maps. I wonder if we could have those introduced into the record, and that's the end.

COMMISSIONER FREEMAN. So ordered.

(Whereupon, the documents referred to were marked Exhibits No. 27, 28, 29, 30, and 31 and received in evidence.)

COMMISSIONER FREEMAN. Mr. Ruiz?

COMMISSIONER RUIZ. Once you have an ordinance that sets forth rules as to occupancy there must of necessity be built-in protection against insidious discrimination to comply with the equal protection clause of the Federal Constitution, and what you have done is most interesting.

Now, have you filed these ordinances forms and the need to qualify-ing by bringing houses up to code standards and so on and so forth with this Commission? What is what you referred to—

MR. WILSON. Excuse me, sir, I'm sorry—

COMMISSIONER RUIZ. You referred to ordinances?

MR. WILSON. Have I filed the ordinances with your Commission?

COMMISSIONER RUIZ. Copies, yes.

MR. WILSON. No, but I will be glad to provide them for the Commission.

COMMISSIONER RUIZ. I would suggest that, Madam Chairman—

MR. WILSON. Excuse me, I did give it to your staff previously, so I guess you have them.

COMMISSIONER RUIZ. Fine. Because I believe that the various ordinances referred to should be made a part of the record and the educational experiences as well that you have had.

It's an innovation insofar as I am concerned and that's the reason I thought it was exceedingly important because other people in other sections of the United States would like to use the experience as a takeoff point.

Thank you.

(The documents referred to appear as Exhibit No. 54.)

COMMISSIONER FREEMAN. Mr. Wilson, with respect to the occupancy permit, ordinance, it was brought to my attention I believe about a year ago that someone purchased a house in University City. After they had purchased the house and moved in, they then found out about the occupancy permit required. And there was living with the family a daughter-in-law, the son was in Vietnam. This was held to be in violation of the ordinance and the family was told that they would have to move.

Now, they of course made a substantial investment. And I would like to know if you will tell us the extent to which prospective purchasers are—that this may happen—to what extent is this a pattern and what is there to protect the prospective purchaser in this regard?

MR. WILSON. Yes, ma'am. This has been a very crucial issue with us and we have been very concerned about this because this was one of the areas where you could have problems with this sort of an ordinance.

The first action we took was to lay liability upon any person selling a house or listing a house to inform the potential purchaser or renter of the necessity of having an occupancy permit, to explain the law.

COMMISSIONER FREEMAN. In what form was this action taken?

MR. WILSON. This is by ordinance. In other words, if a person has not been properly informed of his need to have an occupancy permit then the real estate person or the seller is liable to be prosecuted under the laws of our city.

Of course, this isn't all because there still could have been problems. Secondly, we work with FHA and VA for two areas and with some of the private lending institutions to get their agreement to include the requirement for an occupancy permit before closing. Now, once we got this agreement then our greatest problem is over because if the—especially in the sale—the greatest problem is in the sales market here. If you can't make the closing on the house then you don't get somebody caught into the situation of having purchased a house and being overcrowded for that house and, therefore, not being able to reside in the house that they purchased.

Over the years we've had about 3,000 occupancy permits issued. We've had five cases like this. The last two we also in my department worked with the person, saw that they got private counsel, saw that we issued prosecution against the real estate company which would lay liability on the real estate company, and then the private counsel for the person sought to be released from the contract because it was a fraudulently made contract. And we have not had a case like this that has come to our attention at all in the past 9 months. And I think this final step where we decided to work directly with counsel in this case so that the contract could be broken was the thing that eliminated it completely.

When you consider the fact that we have had like 3,000 occupancy permits and five cases, the frequency has been very limited. They happen most in the beginning when there was very little education on the law, you know, and very little understanding of the law.

We did send information to all real estate companies and have continued to do so keeping them up on it, and in weighing the weight of the prosecution in all cases involving occupancy permit and information, for instance, let's take another case and this does still occur. A person can occupy an apartment and he has not been told that he

should have received an occupancy permit. What we—the pattern in the development here is this man is in violation because he is occupying a unit of a housing without an occupancy permit but the greater violation is weighed against the owner who did not inform; therefore, the man is asked to get the permit and on the basis that he testifies against the owner he usually receives no fine, or a little fine and the owner receives a stiff fine for not carrying out the ordinance.

We are depending upon the seller or the real estate agent to inform the person although I would say in the last year, and you being a citizen here knowing the amount of press on the ordinance, I think this has also helped us because people have begun to expect when they move into University City there would be an occupancy permit.

It was so totally different than any other procedure previously that these first cases arose. We have tried to develop every possible tool to insure that nobody ends up being trapped to the home if they cannot occupy and, as I say, the frequency of this has been really quite remarkably low. It could have been quite high given the nature of the first transaction and the fact that we didn't have some of the protections built in that subsequently have been added.

COMMISSIONER FREEMAN. Thank you. Dr. Horn?

VICE CHAIRMAN HORN. Just to clarify in my mind, who is responsible for bringing the house up to code standards, the seller or the purchaser, or is it negotiable?

MR. WILSON. It's negotiable. The city only has access by law to the owner of the property as of the day. Therefore, as long as the owner owns the house, he must fix it up before it can be sold because the prospective buyer is not going to receive an occupancy permit if there is not a certificate of code compliance in the file in the housing division on that house.

Now, if it should work out that in some cases the owner has not been able to afford to do so, he has by affidavit passed on this responsibility during the transaction to the purchaser and the purchaser has by affidavit fixed it up either before he occupied it or in some cases where there was only minor things left, we've allowed a 30-day affidavit to say, you know, you'll paint your windows. Let's say it was right now and it was snowing, you know, and the last thing to be done was to paint the molding on the outside of the building, we could not reasonably expect to hold the person out of the unit of housing until the painting was done, so there would be an affidavit, a reasonable amount of time for this to be done.

The owner of record is responsible for the work on the house. In nearly all cases it ends up being the seller because most people do not want to have to do repairs in addition. It does provide one thing, it provides for the purchaser of housing in University City a clear understanding of the price of the home and the amounts of repairs that do have to be made on that home to bring it up to standard.

In this sense it's been a very viable tool for helping in the negotiations of sales of houses to give it sort of a rational basis, rather than the old sort of I look around and I kick the plumbing to see whether or not it's a good kind of thing, which is the way I bought my house and the way most of us bought housing if it was older. You know, we aren't qualified building inspectors. This way you do know when you look at a house, if it has not been brought up to code, what things are lacking.

VICE CHAIRMAN HORN. Is there any problem on the frequency of visits by inspectors in black areas of University City as opposed to white areas and along the line of that last question, the few exceptions where it was not the burden on the seller to bring up to code standards, has there been any difference as to whether it was a white or black purchaser that bore the burden?

MR. WILSON. No, I wouldn't say there was no difference there because that really is up to the negotiation of the two parties. As far as the city does not get involved in that negotiation unless the two parties come to us and say you want to do this. The city doesn't say: "Okay, you can go ahead and do it, not him." Therefore, I know that it's happened south of Delmar, probably more often than it has happened north of Olive because most homes have been brought up to standard previous to sale north of Olive.

This is also because it's very difficult to pass it on, impossible almost when it's an FHA or VA transaction because there cannot be the closing until the occupancy permit is there. Therefore, in nearly all FHA and VA transactions the house has already been brought up to code standards, so this would more likely occur in an area where there was conventional financing being used.

VICE CHAIRMAN HORN. Let me ask you just one last question, Mr. Wilson.

I noticed you had a degree in urban planning, a master's degree from Yale. Did you attend that on Urban Studies Fellowship of HUD at all?

MR. WILSON. No, I didn't. I wish I had one.

VICE CHAIRMAN HORN. You've been an excellent witness.

Mrs. Drey, let me just ask you one question.

I think one problem that faces volunteer fair housing groups all over the country is just this problem of trying to stabilize an area, and I wonder if you have any words of wisdom after this experience, and apparently some of it, the fair housing groups, has not been too successful, you haven't been able to stabilize those areas and keep a white-black proportion. What do you think can be done? This is obviously occurring all over America.

MRS DREY. Well, I think as Mr. Wilson was saying, it depends on how much other housing is available to people. It's true that the houses north of Olive which are five of our 10 grade schools are

very accessible to people who have limited amounts of money to invest. And although as it was pointed out today, Overland, St. John, many other places even in the southwest counties like in Winchester, Ballwin, there are housing alternatives but for many reasons people, you know, that real estate people tend—this is the easiest thing, so you say, you know, what can be done.

Now, we have found in University City Residential Service that we can get white renters to go into areas which are predominantly black. And I know of a start of a project which never got off of the ground which would indicate that black renters would also, and black people would also be more willing to rent in an area which is predominantly white. So that I know of a case in which two houses were purchased, one in the Ladue School System and one in the Clayton School System to rent to black families and this, you know, the black families had the courage to rent for a year or two where maybe they wouldn't have purchased and it's the same with the white families.

If we can open up housing opportunities, and I think one of your staff members said to me, and this had better be in a hurry in other parts of the county then I think whites will again move into the areas of University City, into the new houses that are modest. But we really have to do this in a hurry. I don't know, you are going to be talking to Larry Roos tomorrow. The lack of involvement of St. Louis County, the fact that there are 50,000 families in St. Louis, in the St. Louis area, living in substandard housing, 50,000 families. St. Louis is either 62 or 67 square miles. St. Louis County is 497 square miles. If 50,000 families are living in substandard housing you can, yes, pile them one on top of the other in that 67 square miles in the city or you can look to the county to take some active role in providing some housing.

It doesn't make any sense, and Freedom of Residence has said this for years, to move black families in the city from one rat trap to another. We do not have the housing. There are 50,000, you know, units short. So they have to be built and they have to be built in a hurry.

I think that a lot of the flight of University City whites and by the way, they are not all Jewish. University City was not 67 percent Jewish. It was a third Jewish, a third Protestant, and a third Catholic. We have four Catholic grade schools and a Catholic high school, so that's hardly for Jewish children. I happen to be Jewish and I happen to be staying.

But at any rate, when St. Louis County, when Larry Roos announces with great excitement and flourish that they are going to buy 22,000 acres—not buy, but develop, Missouri bottoms area, provide 180,000 new jobs and then he talks about, and this is in the

county, in the unincorporated area, providing a marina, terraced apartments, apartment complex with a golf course, et cetera.

This is not for all 180,000 new workers, I'll tell you that. And this is the kind of lack of planning, lack of involvement or commitment, and faced with that I don't know if University City and the Normandy School District can do anything but become all-black. And what are we doing, we are depriving our children of the opportunity to grow up in a multiracial and a multisocioeconomic society and we are only prolonging, you know, we are just setting off for a very short time a real holocaust.

VICE CHAIRMAN HORN. One last question, Mrs. Drey.

How is the residential service paid for? Is this worked somewhat like a real estate agency?

MRS. DREY. No, we did have a grant, we had a foundation grant of \$5,000 which I hope we will be able to get a little bit additionally, but we've had at least 284 contributors. We do not charge and there is absolutely no discrimination. If it were left up to me I would discriminate. I hate to see time spent to help black families move into University City because they don't need our help to move into University City. But the people who work at the UCRS office, this is why they won't let me hardly through the door, will not discriminate, I promise you that.

VICE CHAIRMAN HORN. Well, it's a very interesting comment. I was on the founding board of the Northwest Washington Fair Housing Association and our executive director made exactly the same statement that you did, that if you really want to stabilize an area you have to discriminate.

MRS. DREY. Yes, but I can't get them to do that, I'm sorry.

MR. WILSON. Mr. Horn, may I add just one comment?

I'm concerned, I think one of our problems in this area has been the fair housing groups have existed all over and private citizens groups, and they make contributions, UCRS' contribution to University City is vital. But private citizens' groups cannot by themselves overcome the pressures of the major institutions that are themselves determining this movement. And I think this is what has to be changed if we are to reasonably expect to stop the process of a continuing expanding ghetto.

I think it was mentioned this morning that there are two housing markets in your report and I think without a doubt there have only been two housing markets, one black and one white, and it is to the economic interests of a variety of people to maintain those. Unless there can be developed a third housing market which is an integrated housing market to which somebody has some economic interest in maintaining I doubt seriously if you can maintain such a market.

The same is true with the financing institutions. We in University City have had to face because of 16 percent of our population being

black, many of the same forms of discrimination that black people have experienced for years. We have trouble getting developers to come in, we have trouble getting financing for development, we have trouble getting mortgages, we have some insurance companies starting to say: "We are going to stop insuring." Now, these are not just results of people not getting along in the neighborhood. We have 25 neighborhood associations working with citizens. We've got community schools and we've got a lot of things going on, but the forces that are determining the movement, and who are making gains from this movement are not being significantly altered, and I think if there's anything that should be approached from the Federal and State levels, if nothing else, is the alteration of these institutional firms which are not going to change these procedures unless it becomes economically advantageous to do so, or uneconomically advantageous not to do so.

VICE CHAIRMAN HORN. I think you are right, and my own feeling, we haven't really gone into this as deeply as I'd like to, the relationship with private financial institutions. I take it, based on your experience, you would say with some doubt in the outsider's mind as to which way University City is going because of the black-white relationship and housing there, you are saying to this Commission that private financial institutions are very leery about asking their capital on a long-term basis to finance home improvements, fearing presumably a drop in property values. Is that what I gather you are saying?

MR. WILSON. Precisely. They also perceive that there is going to be blight and deterioration.

VICE CHAIRMAN HORN. Yes.

Now, secondly, does this include Government reinsurance or financial agencies like FHA?

MR. WILSON. It certainly for a long time included lowering of appraisals by FHA appraisers who would come out, and we'd have to make appeals to. It certainly would involve those institutions, yes, but I think that the—we've had a great deal of contact with FHA, I would say FHA's a little better, but we still have these things occur today where FHA appraisers come out and are appraising that property on the basis of the neighborhood and whether or not it was knocked out of the formal clause in '48 or whenever are still appraising the value of that neighborhood on the basis of the fact that there are black people there, when in fact University City is better physically today because of a variety of improvements and code enforcement and in our housing program, better physically today than it was 5 years ago. And the movement has been upped physically, not down as far as long-term investment. And I think, finally, some of the private institutions have begun to see us a little

bit, not without a great deal of effort, and still the determination is the area's going bad because there are black people in it.

And this society, and it's still happening here, has been guilty of the greatest self-fulfilling prophecy that ever could be fostered on a people and that is, black people are going to make it bad, therefore, we withdraw all the resources from them and then we criticize them because the area goes down.

We've been fighting for years here in University City to educate the rest of the area to the fact that this is not the case, and hopefully some of the institutions have begun to respond to this challenge, but it is still the major problem that I see in trying to maintain integration, in trying to maintain communities where black people move in, because I said our population is 16 percent. Mr.—the gentleman this morning who thought the population of University City was 67 percent Jewish, and there was as much anti-Semitism in this community some years ago as there is anti-black attitude now.

We have the same feeling that University City must be 50 percent black, because all you need is a few, you know, and it's all. And this is the way it's looked at, you know, and do not confuse me with the facts.

Missouri University just completed a study on housing values in North St. Louis County which refutes the idea that housing values are going down, yet I dare say I'd have a heck of a time sitting in the office of the financing institutions or real estate institutions and convincing them that this study done by some competent economists in an educational institution just north of us, we're almost at it right now, is a valid study.

We are acting on the basis of the myths that are involved about black people and neighborhoods where black people live and our major financing, real estate institution, and other institutions are basing their operation on this myth. This is why it's so terribly hard.

VICE CHAIRMAN HORN. How much cooperation have you gotten from the media in this area, say, television, radio, newspapers, to try and help overcome some of these myths? I think you are quite correct in what you've said here, and my concern in this area as well as in many other areas is, what are these broad instruments of society doing to really help educate the community out of some of these attitudes?

MR. WILSON. I don't think the press have done very much at all. They suddenly have become interested in writing articles about black people in St. Louis County which are entitled, "Ghettos Start in St. Louis County", et cetera. As far as educating the people as to the realities of which institutions are responsible, I must honestly say I doubt seriously if this is going to occur in the St. Louis press because some of these persons who are responsible leaders of those institutions are friendly with the press.



COMMISSIONER FREEMAN. Are there any further questions?

MRS. DREY. I would like to say I think there are many things that could be done—there are white families still interested in moving into University City, wanting to move into a racially integrated community. If University City becomes all-black that's the last hope for at least my generation, my children, for their generation for St. Louis County.

It's a very vital, critical time right now, but there are white people who want to live in an integrated community and somehow we've got to get through to blacks to encourage them, or to ask them to try and look at what's happening and to have some courage and start opening up new areas.

I know it's been very popular for some black people to talk in terms of black power and that, you know, if University City were all-black that would be fine, but I think that's a minority. I think most people would like to end up in an integrated world. But the industry has not, has also not been helpful in University City. They have, in many cases, their personnel people have dissuaded people from going into areas once they become racially integrated. Even Federal bureaus have.

COMMISSIONER FREEMAN. Mrs. Drey, one of the points that you just made I would like to pursue with you.

You have said that it seems to me a burden on black persons with respect to their mobility. It occurs to me that the family would not be purchasing a home in University City unless that home was on the market. And to the extent that home was on the market by a white family, what do you see the white community can do to stay and not run?

MRS. DREY. Unfortunately, as you know in any integrated community all over the country, unless whites also are moving in, it's a one-way street. The whites flee, the black come in. So that as long as whites continue to move in, even though, yes, there are many white people in University City who really, I literally think fled overnight. I've gone into houses where furniture is left in the houses, I really think they left overnight. There is a great deal of panic on the part of some people, but we happen to have a—quite a few people who feel very strongly the other way.

All right. Now, I agree with you, if the whites didn't flee there would be these hundreds and hundreds of houses that are on the market would not be on the market. But in the meantime they would not flee if there was no, you know, if wherever they were going to flee to had blacks already, and this is why I think that one of your staff members was so right. This is where I have been working very hard to try and help families, black families, move into other areas so that—and the word gets around, one black family on a block in a new area, you know, people know that that's an integrated area.

And you hear somebody fleeing from Northwood or something to Winchester, Missouri. Now, they'll say that that's an integrated area, what's the point?

COMMISSIONER FREEMAN. I think that you probably misunderstood one of the points that I am making, and that is there is a lot of activity with the black community. There seems to me a need for this same kind of activity in the white community. And what can an organization, what does such an organization do with the white community to change its attitude?

Mr. Wilson has indicated institutional racism, you didn't call it that, but that's what it is. This is only going to be changed by working the same way you work with the black community, working to change the attitude of the white community.

MRS. DREY. My feeling is the only way you can change the attitudes of white people is have them live in a racially integrated situation.

MR. WILSON. Let me go a little further on that, if I may, Mrs. Freeman.

I think this is what I was trying to say about education and the myth that I was describing. I think that one of the strong efforts in University City with the formation of neighborhood associations and other groups, the citizens, where the citizens could discuss their perceptions of what was going to happen when black families moved into the neighborhood, you know, have this looked at is one thing that kept many of them in University City because the myth was torn down.

I think that there needs to be broad education in looking at what has in fact happened in, say, places like University City where we do not have a blighted neighborhood because black people have moved in, where we have long grass on white families' lawns but not black families' lawns, where people are living and where the community is not falling apart.

This is where Mr. Horn's comment, I think, is important. We have not received this kind of publicity to educate the white community to the fact. All we have to do constantly is to go around and say, No, things are not as bad in University City as you hear, because quite to the contrary, we have all of this negative educating process going on, things are worse.

This also comes from some of the former residents of University City who leave feeling that they are going—these things are going to happen and once they leave must justify the fact that they left. Now, 6 months from now, 2 years from now, by referring to stories about what they hear is happening back there because they left because it was going to get so bad and it's very embarrassing for a person to have left a community that was going to get bad and then it's not bad.

So these—and these people that left are living in the far out

areas. They are having more contact with the white community than we are.

COMMISSIONER FREEMAN. Well, these are the people that Mrs. Drey referred to in Clayton, for instance, if there are nice homes for sale in Clayton then maybe some of the organizations, you see, would let some of the people know that these homes are available, we will stay there, why don't you come out and integrate Clayton?

Mrs. DREY. Well, part of the problem of course—I don't know if it's a problem or the cause of the revolt, but because Clayton is virtually all-white and there are white, there is a fair housing group in Clayton which has not been as vocal since University City has had its experiences of white panic. But there are houses in Clayton, a comparable house in Clayton would be maybe \$10,000 more expensive than the same house in University City because it's all-white. And I am convinced that it is absolutely in the best interest of the real estate industry to keep the areas in the west and northwest and southwest all-white as far as they are concerned. This is to me, it's the only carrot they have to offer. I mean, there are some frightened whites, there's no question about that, but this is all they can offer those people.

We have a—we are right adjacent to Washington University, we are adjacent to everything that's going on in St. Louis, you know, and the people in our community are very exciting, the blacks and the whites. This is why, by the way, I hear, there—like, I don't know, 58, 56 purchase clients right now in University City Residential Service looking for housing. I don't know how many of those are black or white but judging from—you know, they probably are all basically, mostly all-white.

These are people who sort of want to be where the action is, young people. They are people who fled who want back in already and some have already moved back in, by the way, from Creve Coeur, and there are more we hear about every day. Things are really hopping. We've got to have this going on and, you know, it does sound racist to say that we are looking for white people to move in, but when the entire real estate industry, and how many did they say—I know there are 800 member firms of which I understand only four are black—of those 800 firms they are working much faster and harder and you know, more professionally than any little volunteer organization can.

But it's not a hopeless thing which most people, I think when we say that 500 white families have come through our doors who really want this, they want to live in racially integrated communities, and our schools are very successfully integrated.

COMMISSIONER FTEEMAN. We, too, would want the white family to move in, but what I was questioning is your saying maybe the black family should not move in because there are already enough there.

This is the point that I was—

MRS DREY. Our grade schools are over 40 percent black and we have hundreds of houses on the market. If there are 25 school districts in St. Louis County, I personally feel that we have got to get the message across to black people that they would please start opening up new areas. And you know, if you want to say it's racist for me to say that we have enough blacks, you can look at any community anywhere in the country and I don't like to call University City a community in transition, and I have not given up.

I think maybe we can end up with a 50-50 black-white situation, or a 70-30 black-white situation, but I'm not content at this point yet to—and I don't care about how many old white people stay in University City. That doesn't interest me.

VICE CHAIRMAN HORN. Could I follow up a second on one statement there I'd wanted to ask earlier. You triggered it. Is the reason for the high proportion of black students in the public school system that whites who have stayed there have taken their children out of the public school system in some areas and into either private or parochial schools?

MRS. DREY. I don't think so. We have very few private schools in St. Louis County and there have always been a certain number of families who have used the private schools as well as the parochial schools. I think that there has been people who have moved out with grade school age children. They stay so that their kids get through high school. Our high school isn't like that. Our high school percentages are much less.

MR. WILSON. May I answer that in a sense that we did a study of residents, the people that moved in the last year and what is occurring that when units of housing are being occupied more black families than white families were purchasing units of housing and out of somewhat 2,000 black persons who moved into the entire city from August '68 to August '69, 1,039 of them were children whereas, on the other hand, there were only some 600, 729 white children who moved into the community. So the ratio of people moving in is tending to reflect more children.

Our school system doubles in population, black student population, the population of the city itself. And this is both a factor of families remaining in the community whose children have moved out of the school and of more families who are moving in, in a ratio the black families having more children.

I'd also like to say though, to clarify a point lest it be misunderstood, I think, I don't disagree with Mrs. Drey except maybe on a point of emphasis.

Certainly we want to maintain integration in University City and many of the efforts of the city government and of the private citizens have been just for this purpose. At the same time it's a

belief of mine and I believe in the city that the only way that one is going to have a viable, integrated community is to provide full and equal rights for all persons who want to move into that community. Therefore, we have handled six open housing complaints in my time and have successfully conciliated those open housing complaints which is more than in all of St. Louis County, and I honestly believe that unless we have commitment to the black citizen of municipal services, of fair treatment, and of open opportunity there cannot be viable integration because black persons are not going to move into communities and encourage white persons to stay peacefully by their side if the part of this bargain is that the black person must accept a status less than the white person in the community.

Therefore, I think that there must be a dual commitment and I think that the emphasis of Mrs. Drey was that, let's encourage black families to push out into other areas, you know, but I think that University City, what we are dealing with is that in balancing off the influence of the institution, you know, sometimes just as we must educate the white person to the fact that the black are, yes, is indeed open to him, and that he should think about moving into it, so often we are confronted with a black family who needs to be re-encouraged to look places that he was told were not open to him by the original sources that he went to, which were real estate brokers and others.

So, I think, you know, that we end up in a pivotal situation in encouraging people that they can push out in other areas, we refer complaints, et cetera. But I believe that it can be honestly said that the philosophy of University City has been to provide full opportunities for all and not to discourage black citizens moving in so much as to encourage black people to push out into other areas of the county.

It's a small point of emphasis but I think it comes over quite differently one way or the other.

COMMISSIONER FREEMAN. Chancellor Mitchell?

COMMISSIONER MITCHELL. One question, Mr. Wilson.

What's the form of government in University City? I know I should know, but I don't. Do you have a mayor or city council?

MR. WILSON. Council Manager form of government, sir.

COMMISSIONER MITCHELL. Are there any black people on that council?

MR. WILSON. There are no black persons in the council although one now has filed for the council.

COMMISSIONER MITCHELL. How about your board of education?

MR. WILSON. The board of education has one black person in its membership.

COMMISSIONER MITCHELL. Out of how many members?

MR. WILSON. Out of six members. Seven persons on the council, including the mayor who is in essence a councilman-at-large.

COMMISSIONER MITCHELL. But you do see a trend toward increased black participation in government and in the educational process?

MR. WILSON. Certainly. I think we have a black person filed to run for the council this year. There was a 3-year residency requirement by our city charter before one could run for council so, therefore, realistically given the pattern, chronological pattern I've talked about, it would have been impossible for one to file before about 1968.

COMMISSIONER MITCHELL. Your occupancy permit, has that been tested in the courts?

MR. WILSON. I don't know whether it has gone to the—excuse me, I'm looking for reference to aid here—I don't believe it's been tested any higher than at most at the circuit court. It has gone to the circuit court.

COMMISSIONER MITCHELL. It has been upheld in the circuit court?

MR. WILSON. Yes.

COMMISSIONER MITCHELL. You may have the only legal method I've ever heard of for getting rid of your mother-in-law.

MRS. DREY. Mrs. Freeman, may I just say one thing?

I didn't mean that these are not black families that live in University City that I've been urging to move out of University City, I'm talking about a family who comes in cold from another city who is not committed to University City, and this is all I mean. These are the people that I like to work with, who are completely open as far as where—they are not committed to University City, they have no family here or anything. These are the people.

I would be the last person in the world to dissuade somebody who wants to live in University City from living there. I do try to encourage them to have an open mind.

COMMISSIONER FREEMAN. Mr. Ruiz?

COMMISSIONER RUIZ. I think many avenues have been opened by both of our witnesses, they are thinkers. I notice in their conversations, they are not exactly together, which is very good. This is rather an innovation. I repeat, the fundamental philosophy is very attractive.

Mr. Wilson has stated that those whites that move out into white areas do harm because they must justify their having moved out. Mrs. Drey said whites who formerly lived there are wanting to come back. Now, this is very good. I like to see the thought, and it's very provocative.

I believe that maybe if you don't come to an ultimate solution in this particular place that you have really started something here because if it's controlled early enough and that is the reason I was again saying before that all of these ordinances, all of this expe-

rience, be made a part officially of the record instead of an exhuming it collaterally because it's going to be very valuable to other areas of the United States.

COMMISSIONER FREEMAN. Thank you very much. The witnesses are excused.

Will you call the next witness?

MR. GLICKSTEIN. The next witness is Mr. Conrad Smith, an attorney in the Office of the General Counsel, U. S. Commission on Civil Rights.

(Whereupon, Mr. Conrad Smith was sworn by Commissioner Freeman and testified as follows:)

**TESTIMONY OF MR. CONRAD SMITH, ATTORNEY, OFFICE OF THE  
GENERAL COUNSEL, U.S. COMMISSION ON CIVIL RIGHTS**

MR. GLICKSTEIN. Mr. Smith, would you identify yourself, please?

MR. SMITH. I am an attorney with the Office of General Counsel, United States Commission on Civil Rights.

MR. GLICKSTEIN. I have a document entitled, "United States Commission on Civil Rights Staff Report, Kinloch, St. Louis County, Missouri". Did you participate in the preparation of this report?

MR. SMITH. Yes, I did.

MR. GLICKSTEIN. Madam Chairman, may we introduce this into the record?

COMMISSIONER FREEMAN. So ordered.

(Whereupon, the document referred to was marked Exhibit No. 32 and received in evidence.)

MR. GLICKSTEIN. Mr. Smith, would you please summarize this report for the Commission?

MR. SMITH. The Commission staff report on Kinloch, Missouri indicates that the city faces a number of substantial problems. Kinloch is an all-black politically independent city, located in suburban St. Louis County, approximately 7 miles northwest of St. Louis city limits.

Although the city is surrounded by the predominantly white communities of Berkeley and Ferguson, it is sharply separated from them. Apart from one main road and several secondary access routes, large vacant lots and fences serve to seal off Kinloch from its neighbors. Most streets in surrounding areas dead end at Kinloch. In addition, there is little or no social interaction between the citizens of Kinloch and citizens in the adjoining communities.

Kinloch is an area of substantial poverty. The most recent data available indicate that median incomes among families in Kinloch are substantially below those in the surrounding predominantly white communities. In 1959 the median family income in Kinloch was \$3,075, compared with \$7,124 and \$6,891 in the two adjoining census tracts.

The city also compares unfavorably with St. Louis County and with the St. Louis Standard Metropolitan Statistical Area. In 1959 the median income in St. Louis County was \$7,527 and \$6,275 in the Standard Metropolitan Statistical Area, but only 9 percent of Kinloch families had incomes of over \$7,000 and 61 percent of them had incomes under \$5,000.

In 1964 approximately 37 percent of Kinloch families received some form of public assistance. In 1968 there was little change in this percentage.

In addition to low family incomes, much of Kinloch's housing is below standard. In 1960, 63.6 percent of the city's housing was considered substandard. Over half of the dwelling units were constructed before 1940 and approximately 56 percent were valued at less than \$5,000. A recent study showed that of 1,549 dwelling units in the city, 254 were of recent construction, 460 needed maintenance, 304 needed minor repair, 332 needed major repair, and 199 were classified as dilapidated.

The city also faces substantial problems in the field of education. About 1,438 Kinloch students attend the all-black school system.

Many citizens of Kinloch have voiced complaints about the public school system. They complain that the school system does not properly prepare students to meet college entrance requirements, that the public schools are used as a training ground for young teachers who stay in the school system for about a year and then move on to another system where pay is substantially higher, and that the schools are inferior to those in other school districts in the county in terms of physical facilities and educational equipment.

On December 7, 1969 a group of Kinloch citizens called the Concerned Citizens for Quality Education for Kinloch Children filed a petition with the secretary of the Kinloch School Board requesting that a proposition be placed on the ballot at the next annual school election to determine whether or not the citizens want the school district dissolved.

The purpose of dissolving the district is to require the county board of education to annex the unorganized territory to an adjoining school district.

The Kinloch School District has four school facilities, Kinloch High, John F. Kennedy, Jr. High, Dunbar Elementary, and Kinloch Elementary.

Of the 47 students in the 1969 graduating class only 16 went on to enter college, approximately one-third. In the two surrounding predominantly white school districts the percentages were substantially higher, more than 50 percent in the Ferguson School District and approximately 46.2 percent in the Berkeley School District.

In the 1968-69 school year the expenditures per pupil in Kinloch were substantially below the amount spent per pupil in the two adjoining districts and were well below the county average.



In the 1968-69 school year the Berkeley School District spent \$666.01 per student; the Ferguson School District spent \$637.65 per student; the Kinloch School District spent \$558.12 per student; but the county average was \$720.78.

The State department of education for the State of Missouri is responsible for the classification of school districts in the State. Classifications are established in order to set goals and standards for public schools. The major factors taken into account in rating school districts are:

1. Quality of instruction, which includes teacher qualifications, instructional equipment, textbooks, and supplies provided, and
2. Breadth of the program offered, which includes the number of courses, services rendered, and activities and opportunities available.

In the 1968-69 school year only two school districts in St. Louis County did not receive an AAA rating, Kinloch and Valley Park.

Kinloch's extremely low tax base prevents the community from providing adequate funds for education. In 1966 the total assessed valuation was \$3,124,609, which was the lowest in the county. This represented \$3,103 of assessed valuation per pupil which was less than one-fourth the average of all school districts in St. Louis County.

In the 1968-69 school year the assessed valuation per pupil in the Kinloch School District was \$3,119, again the lowest in the county and less than one-fourth of the county average.

COMMISSIONER FREEMAN. Thank you, Mr. Smith. You are excused.

MR. GLICKSTEIN. Now, we are ready for Mrs. Boyd, Mrs. Crockett, and Mr. Squires.

(Whereupon, Mrs. Julia Boyd, Mrs. Katherine Crockett and Mr. Edmond Squires were sworn by Commissioner Freeman and testified as follows:)

**TESTIMONY OF MRS. JULIA BOYD, MRS. KATHERINE CROCKETT,  
AND MR. EDMOND SQUIRES, KINLOCH, MISSOURI**

MR. GLICKSTEIN. Would you please each state your names for the record.

MRS. CROCKETT. Katherine Crockett.

MRS. BOYD. Julia Boyd.

MR. SQUIRES. Edmond Squires.

MR. GLICKSTEIN. Let me start with you, Mrs. Boyd. What is your occupation?

MRS. BOYD. I'm coordinator of the Kinloch Gateway Center, the antipoverty station in that community.

MR. GLICKSTEIN. This is a program that's funded by OEO?

MRS. BOYD. Yes. The human development corporation is the parent organization and it administers the antipoverty funds in the Metropolitan St. Louis area. We have an umbrella of programs housed in our center, a housing program where we attempt to provide for the

residents services such as relocating families, and we are bringing in new programs to the community identifying housing problems and working with resident groups. We have a health program where we administer the Head Start Program, identify health programs, and work with families who are in need of health services.

We have an Outreach Program where our staff will go out into the community and establish relationships with the residents and attempt to identify problems and involve them in our programs so that they will be a part of the process which would help to resolve these conditions.

MR. GLICKSTEIN. How many people are employed in the Gateway Center?

MRS. BOYD. We have a staff of approximately 18 people. Some are on a part-time basis.

MR. GLICKSTEIN. Some on a part-time basis?

MRS. BOYD. Yes.

MR. GLICKSTEIN. What sort of professions or backgrounds do your staff people have?

MRS. BOYD. Most of them are nonprofessionals. The supervisory staff is made up of about four people who are professionals, otherwise they are nonprofessionals.

MR. GLICKSTEIN. How long has the center been in operation?

MRS. BOYD. Since 1965, January.

MR. GLICKSTEIN. Have you omitted some programs? I'm sorry, I interrupted you.

MRS. BOYD. Yes, we have a social services program and this is divided into two parts. We have a Head Start social services program which renders services to those families who are involved in our Head Start program. There are three Head Start centers located in the community and one in the city of Ferguson which is also serviced by our staff.

This program is quite extensive. Our Outreach staff makes home visits, determines which families in the community are eligible for this program, helps the parents understand the importance of the program, checks with the school teacher to see how the child is progressing once he is in school, and maintains communication between the home and the school.

Then we deal with other families in the community who are not part of our Head Start program, in such programs as Oasis, which is a senior citizen type program. We have been bringing surplus commodities to families in Kinloch because previously all of the people in St. Louis County had to go out to Lambert Air Base which is geographically close to Kinloch but very difficult to get to.

MR. GLICKSTEIN. That was the distribution point for the county of St. Louis?

MRS. BOYD. Right. And in an effort to try to decentralize that

program we began to involve our residents and volunteers in bringing that food into the community.

We have some programs housed there which are not HDC types which has an employment person from the BYU Program—Business, Urban League, YMCA. We have a very significant unemployment rate in the community, we did not have an HDC manpower team so until about 2 months ago, we were without manpower services in that center.

MR. GLICKSTEIN. And this other person you mentioned was a person that wasn't funded by OEO?

MRS. BOYD. That's correct.

We have a person from the Missouri State Employment Service who is a vocational rehabilitation specialist, and he is with us one morning a week. We also have an NYC counselor who works with the students in high school who are a part of the In School Neighborhood Youth Corps Program.

MR. GLICKSTEIN. Mrs. Boyd, how effective would you say your program has been in Kinloch?

MRS. BOYD. Well, I don't think it has been very effective. Even though the intent of the program is very good, we have never had the kind of money that it would require to really effect changes in our community. We have mostly been a service delivery type program and we've been working on symptoms of problems, actually, rather than getting to the roots of them.

MR. GLICKSTEIN. Why don't you think that you've been able to attract more Federal assistance?

MRS. BOYD. Well, we don't have the technicians in the community that would be required to write the proposals, to make the contacts, and sit down and deal with people at the level which would be required to bring in some of these technical programs.

In the staff report which was just given, I'm sure that you heard Mr. Smith talk about the problems in the educational system, and if we are going to maintain that community in a fashion which would be desirable to the residents there so that they can make a contribution to that city and to the total metropolitan area, then we are going to have to do something about the educational problems.

We want our children to go to school and return to the community and make a contribution there.

MR. GLICKSTEIN. Now, you are talking about Federal programs other than the OEO program, educational programs, and so forth. Is that the area in which you mean that you haven't had the technical expertise to apply for these—

MRS. BOYD. I am saying that this is one of the reasons that we don't have it because for the most part it does not exist in the community. And then we have not had the resources to attract these people in from the outside.

MR. GLICKSTEIN. But your own program, you say has been short of funds, has had inadequate funds?

MRS. BOYD. For example, we have many health problems in that community but we have only a half-time health specialist assigned to us who has Head Start responsibilities, therefore, if she has to see to it that children have to get their medicals, dentals, and visit Head Start families, she doesn't have much time to work on general community problems.

MR. GLICKSTEIN. Am I correct in saying that the reason that you are short of funds in your own program is not because you lack the expertise to attract the Federal program, because you do have the Federal program, you have the OEO program, but because there just isn't enough money in that particular program. Would that be a fair statement?

MRS. BOYD. Yes, pretty fair.

MR. GLICKSTEIN. How long have you lived in Kinloch?

MRS. BOYD. With the exception of 3 years, all of my life.

MR. GLICKSTEIN. We have some pictures of Kinloch and I wonder if you would identify them for the Commissioners and describe what they are.

(The photographs are printed as Exhibit No. 33)

MRS. BOYD. Yes. I would be happy to.

This is a picture of a substandard house in Kinloch which illustrates the kind of problems that we have as we try to provide housing for the residents of that community. It may or may not have running water. There would not be a sewer attached to this home. There may be indoor toilet facilities or there may not. The wiring would probably be poor and create hazardous conditions for that family. And it is not atypical. This is seen throughout the community.

There's an unpaved road running in front of it and this, too, would be typical for some sections of that community.

This is a house in Rushmoor Park, one of two subdivisions in the community. There are 38 houses located there. And it would be some of the better housing in the community and some people like to say that blacks don't take care of things that they have. That subdivision has been there for approximately 8 years and it's as nice as any you would find in St. Louis County.

MR. GLICKSTEIN. Is that federally sponsored?

MRS. BOYD. No, it's not.

MR. GLICKSTEIN. It's totally private?

MRS. BOYD. It certainly was, yes.

This picture was taken in Berkeley, the community adjacent to Kinloch and it illustrates that there is housing available in neighboring communities but there are no blacks living in that particular subdivision.

And this picture, you can see another substandard house, also another unpaved road, and a number of abandoned cars. And

though the city had problems with some individuals who have abandoned cars who live there in the community, for the most part these cars come in from other areas where people are just using our community as a dumping ground.

This is the Dunbar School, the largest and the oldest of the two elementary school in the community. It is a condemned building. It houses a large number of students and the conditions in the building are not conducive to a good learning experience. Some of the conditions are quite deplorable.

This is the Vernon School building, on the east side of Kinloch on Maple Street and Evelyn. This portion of Kinloch is in the Ferguson-Florissant School District. It was a segregated institution until 1954. When students who went to school there finished the eighth grade they were given tuition to go to the other black schools in the St. Louis area. However, after 1954 the students were supposed to be integrated into that school district. However, it remained a segregated institution and I happen to have lived at that time in that section. We negotiated with the Ferguson-Florissant School Board to close that, and they were quite resistant, and at first we had to go to the Missouri Human Rights Commission and ask them to help us with this problem, because we found that those students who were going to that school and then transferring to the junior high school were having a very difficult time in spite of the fact that some of them had received excellent grades while they were at the school.

We also found that some white students who were living just as close to that school as the blacks were being sent to the white schools and the blacks all, of course, went to Vernon.

This picture was taken from the Ferguson side at a point where Kinloch and Ferguson border, and it illustrates, that is—the sign says “Pavement Ends”—the paved road runs out at Ferguson and then you have a beat up road which comes into Kinloch. And it is typical of the racial and physical isolation of that community. And it's very depressing, disheartening for the children to have to grow up where they feel that where they live is so different from where children of other areas live.

To have a child close his eyes when you are getting ready to move into Kinloch and say: “I bet I can tell you when I get there because I am going to hit this bumpy road,” it's a game we played when we were kids, it's a game that the kids play today, but it's not so funny because when you really stop to think about the reasons why this is happening, then it's no game.

MR. GLICKSTEIN. Madam Chairman, may I please introduce these photographs into the record.

COMMISSIONER FREEMAN. So ordered.

(Whereupon, the documents referred to were marked Exhibit No. 33 and received in evidence.)

VICE CHAIRMAN HORN. Is the responsibility for that road under the control of the county or the State government in terms of paving of that road?

Mrs. BOYD. None of our roads are under the responsibility of the county or the State—well, maybe in fact they are, but we don't get any assistance from them on paving our roads. So our municipality would have that responsibility.

VICE CHAIRMAN HORN. In other words, it should have been paved by the municipality?

Mrs. BOYD. Yes.

VICE CHAIRMAN HORN. Because in many areas, even though it's a municipality, it depends upon the law, the county or the State would give assistance, and I'm just trying to—could we clarify that for the record and insert a statement as to what the law is in Missouri? \*

Mr. GLICKSTEIN. Yes, sir.

Mrs. Boyd, Dr. Horn has raised a question about the relationship of the city of Kinloch with the county government. In general, what is the relationship of the city with the county government? How much attention does the county pay to Kinloch? What services, if any, do you get from the county?

Mrs. BOYD. Well, we don't have much of a relationship with them. We have had some contact with them when, for example, the city of Kinloch established a planning commission. They set up meetings to try to help this group get going and some contacts still remain with that planning commission. They operate 2 days a week at the YWCA, a well baby clinic. There is a library, a branch library in the community, and there is a county park. But I would say that these services are not available to the community to the extent that they should be, considering the fact that so many poor people live there and the needs are so great.

Mr. GLICKSTEIN. Mrs. Boyd, let me ask you a rather general question. Do you and other citizens of Kinloch feel closer to the Federal Government, State government, or the county government? Which of those three governments do you think plays a greater part in your life?

Mrs. BOYD. The Federal Government.

Mr. GLICKSTEIN. Would you just amplify that remark, please?

Mrs. BOYD. Well, yes, I just explained our relationship with the county government. The State government, I have to remember that the Governor just vetoed the antipoverty funds although, you know, we did get this money finally, but I don't think that there is much sensitivity to the problems and needs of our community at that level.

Mr. GLICKSTEIN. May I ask Mrs. Crockett some questions? Mrs. Crockett, what is your occupation?

Mrs. CROCKETT. I teach fifth grade at Kinloch Elementary School.

\* See Mo. Rev. Stat. § 71.340.

MR. GLICKSTEIN. How long have you taught in the Kinloch School District?

MRS. CROCKETT. Eight years.

MR. GLICKSTEIN. We've seen some pictures of schools in Kinloch. What is the physical condition of the school where you teach?

MRS. CROCKETT. I feel that the physical conditions at my school are very inadequate to a proper education of the children there. We are faced with a constant teacher turnover and lack of adequate facilities for instructions.

MR. GLICKSTEIN. How old is the building?

MRS. CROCKETT. It was erected in 1960.

MR. GLICKSTEIN. 1960?

MRS. CROCKETT. Right.

MR. GLICKSTEIN. Does it have a library?

MRS. CROCKETT. Yes, we have a library which is housed in an all-purpose room. There are no facilities for the children to go in, sit, read books, they have to go in and get these books and take them back to the classroom.

MR. GLICKSTEIN. And there are therefore no other extra classrooms in the school building for remedial work of one sort or another?

MRS. CROCKETT. None whatsoever.

MR. GLICKSTEIN. I take it that your school building is somewhat better than the other school buildings in the Kinloch School District. Is that correct?

MRS. CROCKETT. Yes, I would think so, because Dunbar is condemned.

MR. GLICKSTEIN. Do all schools have—are they equipped with water and restrooms?

MRS. CROCKETT. No, they are not. We have an annex to our building which is the sixth grade division and in this annex there is no provision for water or restroom facilities for the children. They have to come to our building for water and other needs.

MR. GLICKSTEIN. What do you have in your school in the way of such educational devices or tape recorders or devices that are used to help the children who are retarded in reading and improve their reading? What do you have in the way of that type of equipment?

MRS. CROCKETT. In our building we have one tape recorder, one film projector, one overhead projector which has to be used by 12 teachers. And each teacher in the building has a schedule, more or less, like I use the projector on Thursday, someone else has use of this projector on Friday.

MR. GLICKSTEIN. Do you know if the Kinloch School System receives funds from the Federal Government for extra equipment, extra books, for example?

MRS. CROCKETT. I am not sure so I better not make a statement.

MR. GLICKSTEIN. Well, you said you've been in the school system for 8 years?

MRS. CROCKETT. Yes, for 8 years.

MR. GLICKSTEIN. Has the budget of the school system increased in that period of time? Have there been more funds available?

MRS. CROCKETT. Yes, it has.

MR. GLICKSTEIN. Do you know what some of those funds—if some of those funds were Federal funds?

MRS. CROCKETT. I know they had one—the only fund that I am familiar with is the one where they were able to hire more teachers to come into the district. Now, these teachers are paid from a different fund than the regular teachers in the district.

MR. GLICKSTEIN. Are there children in your class who are on the Aid to Dependent Children Program?

MRS. CROCKETT. Yes, I have approximately 30 children in my class and over one-half qualify for ADC benefits.

We have a lunch program where the Government pays 10 cents—the child pays 10 cents and the Government pays the remaining 15 cents. And over half of my children qualify for this benefit.

MR. GLICKSTEIN. That lunch program?

MRS. CROCKETT. Right.

MR. GLICKSTEIN. Mrs. Crockett, do you believe that the curriculum in your school adequately stimulates the students?

MRS. CROCKETT. No, I don't. We have many, many problems there. And one is curriculum. Now, the curriculum that is presently being used has been used in the district, say, when I was a student in the school there which was about 15 years ago. We need curriculum planning and we need reading consultants in our schools. We need art people and we need physical education people. There are no provisions for music in our school and I feel that this is very detrimental to the learning process of our children.

VICE CHAIRMAN HORN. Excuse me. Is that curriculum established by the county or the State government or by the school district?

MRS. CROCKETT. I think it's by the county.

VICE CHAIRMAN HORN. By the county. Some States, there's a standardized curriculum by the State superintendent of public instruction and others, there's the county.

MRS. CROCKETT. I think it's by the county. I'm not sure.

VICE CHAIRMAN HORN. Let's get that also clarified for the record.\*

MR. GLICKSTEIN. Do you—you described somewhat the inadequacies of the curriculum. Does this result in the students not having very high goals or not striving very hard to be very successful?

MRS. CROCKETT. Very much so. I would like to bring about—talk about this particular case. It happened I think in the 1968–69 school year. We had a new teacher who was assigned to the sixth grade division and after 2 weeks or 3 weeks with those children she quit and left. She refused to work with the children because the state-

\* See Mo. Rev. Stats. § 161.092.



ment was made that the children were so poorly trained. Did I answer your question, Mr. Glickstein?

MR. GLICKSTEIN. Well, what about your students? You've been there for 8 years. Apparently, you must not have those problems, or do you? Do you regard the pupils that you teach as well trained?

MRS. CROCKETT. I find that most of my students are very inadequate as far as reading ability. Many parents are confused because they see their children reading from a book and to them—they more or less interpret this as a child reading. But I have found that most of the children in the fifth grade class are inadequate as far as reading comprehension abilities.

MR. GLICKSTEIN. Now, you mentioned, Mrs. Crockett, that there's a rather high teacher turnover in your school district.

MRS. CROCKETT. Yes, it is.

MR. GLICKSTEIN. What is the entry level salary in the Kinloch School District?

MRS. CROCKETT. \$5,500 a year.

MR. GLICKSTEIN. How does that compare with salaries in the neighboring school districts in St. Louis County?

MRS. CROCKETT. I would say a young teacher going into the Berkeley district would start around \$6,500.

MR. GLICKSTEIN. And how high can you go in your school district?

MRS. CROCKETT. \$7,200 is the maximum salary.

MR. GLICKSTEIN. What about in the Berkeley School District, do you know?

MRS. CROCKETT. I am not familiar with the maximum salary. I know that the entrance salary there is around \$7,000 or better.

MR. GLICKSTEIN. Now, is one reason for the teacher turnover the low salaries?

MRS. CROCKETT. I would say low salaries, inadequate facilities. We have not been able to venture out into some of the more modern trends of education, such as in our building we are not doing anything in regards to team teaching, program instruction, or the ungraded primary which gives the child the ability, the chance more or less to progress at his or her own rate instead of keeping up with Johnny or keeping up with Betty.

MR. GLICKSTEIN. Can you estimate what the teacher turnover rate is each year?

MRS. CROCKETT. I would say approximately one-third of the teaching faculty. We have approximately 62 teachers and in 1 year we had a new enrollment of around 23 new teachers in the Kinloch district.

This turnover applies mostly to the junior high and the senior high school programs.

MR. GLICKSTEIN. Mr. Squires, may I ask you some questions—

VICE CHAIRMAN HORN. I'm sorry, Mr. Glickstein, are you going to get to the Title I question? I think this is crucial.

MR. GLICKSTEIN. Well, Mrs. Crockett didn't have the answer.

VICE CHAIRMAN HORN. I see, because—are we going to get it in a report from the staff?

MR. GLICKSTEIN. Yes.\*

VICE CHAIRMAN HORN. Okay.

COMMISSIONER MITCHELL. For the record, may I just add something to that?

Maybe for the record I was involved as far back as 1957 in Federal funding for education aimed exactly at school districts of this kind and the process continues and literally millions, hundreds of millions of dollars were poured into it and more in later titles. In every case the State has to approve this. And what would interest me is whether Kinloch has applied for Federal aid and its programs have been denied by the State and not made a part of the total State program and submitted to the Federal Government or there's been some other impedance.

Mrs. BOYD. I'd like to respond to that.

Now, I don't presume to speak for the school board or the school administrators but I do know that some Federal programs are operating in the district. But I think that one of the biggest problems with this has been that much of this money comes in earmarked for particular things, for innovative programs, and if you don't get the amount of money that you need for your basic program, then you can have all the frills that you want and it isn't going to essentially change the quality of education.

MR. GLICKSTEIN. We do know, Mr. Chairman, that Kinloch has received and does receive Title I funds. We have the exact figures in our office and we will put them in the record.

Mr. Squires, would you please tell us what your occupation is?

MR. SQUIRES. I am a teacher in the St. Louis Public School System. I teach at Columbia Elementary School.

MR. GLICKSTEIN. And where do you live?

MR. SQUIRES. I live in Kinloch, 5534 McGuire.

MR. GLICKSTEIN. And how long have you lived there?

MR. SQUIRES. Twenty years, practically all of my life.

MR. GLICKSTEIN. Are you familiar with the conditions in the Kinloch School System?

MR. SQUIRES. I am familiar with the conditions in the Kinloch School System insofar as they relate to statistics and insofar as they relate to the tax base and insofar as they relate to the historical development of the district. That is, as a citizen I have been very much interested in education in the community and have taken it upon myself to look into certain reports and so forth and gather as much information as I can being an outsider, so to speak, on the school district.

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\* Kinloch received approximately \$170,000 in Title I ESEA funds for the 1968-69 school year.

MR. GLICKSTEIN. What would you regard as the significant deficiencies impeding educational progress at Kinloch?

MR. SQUIRES. Well, I would say that there are three main causes. One of them is historical in nature. The other is financial and the other is based on the failure on the part of State and county school officials to do anything to alleviate the conditions.

Historically, prior to 1938, Kinloch existed as a biracial school district operating on a separate but equal basis. In 1938 the white citizens in the school district incorporated to form the city of Berkeley and also the Berkeley School System. So since 1938 Kinloch has operated as an all-black school district.

This has remained—this district has remained as it was in 1938 despite the 1954 Supreme Court ruling which has had no impact whatsoever on the Kinloch School District. One need only look at a map of the 25 districts in St. Louis County to see that in all of these reorganizations, consolidations, and annexations that Kinloch has remained as it was physically as far as the boundaries of the school district are concerned back in 1938.

As a result—in 1949, approximately, Kinloch was incorporated as a city. As a result, Kinloch has been faced with all of the other social conditions which have had a negative effect on other black citizens in this country. We have a very low tax base. There are some very startling statistics available on the Kinloch School District.

In 1966 our total assessed valuation was \$3,500,000. In 1968 it was \$3,700,000, an increase over a 2-year period of approximately \$200,000.

MR. GLICKSTEIN. Are you affiliated with any particular group in attempting to improve educational conditions in Kinloch, Mr. Squires?

MR. SQUIRES. I am currently serving as chairman of an organization called Concerned Citizens for a Quality Kinloch School District.

MR. GLICKSTEIN. What is the purpose of that organization?

MR. SQUIRES. The purpose of this organization is to dissolve the Kinloch School District, based upon some of the statistics that I have given you already and upon others. I cited the 2-year increase in the total assessed evaluation of the district. We might compare this to the Brentwood School District, which had in 1966 an assessed valuation of \$35,500,000. In 1968 the assessed valuation was \$37 million, a 2-year increase of over \$2 million as compared with Kinloch less than half a million dollars increase.

It might also be interesting to see how Kinloch compared in 1968 to Valley Park in total assessed valuation, and it must be pointed out here that Kinloch is rated 25th of the 25 school districts. Valley Park is rated 24th.

Kinloch has a total of assessed valuation less than half that of Valley Park and Valley Park doesn't come anywhere near touching the assessed valuation of the district that is in 23rd place.

So, you see, insofar as having a tax base on which to operate, we don't even come near touching the district that is closest to us in the running. As a result we are faced with very low teacher salaries as has already been brought out and we might mention that the maximum salary in Kinloch is the starting salary in the St. Louis Public School System, \$7,200.

MR. GLICKSTEIN. That is the starting salary in the St. Louis Public School System, \$7,200?

MR. SQUIRES. Yes.

MR. GLICKSTEIN. Mr. Squires, Mr. Smith mentioned in his staff report a little while ago that if the Kinloch School District is dissolved, it would be the county's responsibility to provide education for its students and they would be merged into neighboring school districts. Is that correct?

MR. SQUIRES. This is provided for in Missouri school law.

MR. GLICKSTEIN. And I take it that if this were to happen this would result in the Kinloch students attending integrated schools?

MR. SQUIRES. It would inevitably be that they would be going to integrated schools in one of these surrounding districts, Berkeley or Ferguson.

MR. GLICKSTEIN. Do you favor integrated education?

MR. SQUIRES. Well, the purpose of this organization, the primary purpose, is not necessarily to provide integration but to provide a quality education for the children of Kinloch. Integration would come secondary or as a result of our efforts because the surrounding districts happen to be all-white, as I mentioned to you before, the historical development of the district. It seems that this district has been systematically left to be an all-black district. So integration would be a natural result of any reorganization in the district.

MR. GLICKSTEIN. Do you think that attending an integrated school by students currently in the Kinloch School System would have any impact on the student's self-image?

MR. SQUIRES. I think it would. My own experience, although I did not attend the Kinloch Public School System, I attended the parochial school in Kinloch, and I found that going to high school in the city of St. Louis that I had a very poor self-image of myself because I had been living in an all-black city, a city which was for the most part was dilapidated and substandard in practically every department. I tended to associate myself with substandard conditions, and—the result was that I associated, you know, all black people with something that was negative. And, consequently, I had this same negative self-image.

MR. GLICKSTEIN. Did you find that there was a time when you discovered that you could compete successfully with white people?

MR. SQUIRES. It was only after coming out of grade school and attending an integrated school that I realized that, you know, that I wasn't so bad after all and that I could compete after years of

feeling that I was inferior because I was black. And this was primarily the result of not having the opportunity to do anything else but to compete with black students and to living conditions and see other things, TV, books, and so forth, which made me believe as a child that I was naturally inferior.

MR. GLICKSTEIN. Why did you become a teacher, Mr. Squires?

MR. SQUIRES. Well, I became a teacher by chance although I'm in it now by choice. As a junior in high school I was very much interested in entering some type of public relations job, maybe working for a large company. I talked to my adviser in high school who was a nun and she immediately advised me that this was not a good field for a black person to attempt to go into simply because industry just wasn't giving those kinds of jobs to black people. So I was left seeking to do something that Negroes were doing at that time, working at the Post Office, be a minister, a doctor, but the best thing to do at that time was, as far as a college education was concerned, was for a black person to be a teacher.

MR. GLICKSTEIN. I have no further questions, Madam Chairman.

COMMISSIONER FREEMAN. Do the Commissioners have any questions?

VICE CHAIRMAN HORN. I only have one question.

I would like inserted at the record where the picture was shown on the dumped cars on the streets at Kinloch a statement prepared by the staff or, if the panel is responsive, as to what the State, county or city ordinance is if any are pertaining to the dumping of cars.\* It seems to me in other States of the Union you are liable if you dump your car and there are such things as engine serial numbers where you can trace that.

COMMISSIONER FREEMAN. Thank you very much. You are excused. Will you call the next witness, please?

MR. GLICKSTEIN. The next witness is Mr. Eugene G. Moody.

(Whereupon, Mr. Eugene G. Moody was sworn by Commissioner Freeman and testified as follows:)

**TESTIMONY OF MR. EUGENE G. MOODY, EAST ST. LOUIS, ILLINOIS.**

MR. GLICKSTEIN. Mr. Moody, would you please state your full name and address and occupation for the record?

MR. MOODY. My name is Eugene G. Moody. I live at 31 Woodlawn, East St. Louis, Illinois, and I am the executive director of the East-West Gateway Coordinating Council.

MR. GLICKSTEIN. Would you briefly explain to us what the East-West Gateway Coordinating Council is?

MR. MOODY. The Gateway Council is a rather new—about 3 years, of life organization, a voluntary association of the cities and counties of this region, including the city of St. Louis and the cities

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\* See Mo. Rev. Stat. § 301.220.

and counties, four others in Missouri, three in Illinois, which was formed to work on areawide problems, problems which transcend not only the Mississippi River but jurisdictions within the region that we are talking about.

MR. GLICKSTEIN. And is the purpose of this council to foster cooperation and planning among the various units of government in this bi-State area?

MR. MOODY. Yes.

MR. GLICKSTEIN. What are some of the—very briefly, some of the types of projects or programs that you have?

MR. MOODY. Well, initially, and to date, our most—most of our effort has gone into the area of transportation planning. The Federal Highway Act requires each standard metropolitan statistical area to have a continuous comprehensive cooperative transportation planning program underway and we are performing that function with the cities and counties and the two State highway departments.

We have been involved, and are currently involved, in the rapid transit study for the metropolitan area. We have been evolving into other fields, including what I would call general physical planning, including parks, open space, water, sewer, and so forth. And only recently into a few of the—what you might term social fields, including housing.

MR. GLICKSTEIN. What is your involvement in housing? What have you done in that area?

MR. MOODY. We are in our infancy in the housing field. About this summer the Department of Housing and Urban Development, from whom we are able to secure some matching funds, requires each group who does receive such matching funds to prepare an initial housing element, and we prepared our initial housing element and submitted it to the Department, I believe in the fall, about the end of September, indicating generally what we observed in the regional scale of things as the problems that we have in terms of housing, some of the obstacles to solution of problems, and what our particular type of organization might do over the next several years toward those problems.

MR. GLICKSTEIN. Did this initial housing element contain any subregional analyses?

MR. MOODY. Yes. We prepared as part of the general analyses sub-elements for each county and for the city and for the county and the city of East St. Louis and the city of St. Louis separately.

MR. GLICKSTEIN. Were these sub-analyses approved by the planning departments and elected officials of each of the counties?

MR. MOODY. We consulted within the jurisdictions within our agency in preparing these because we had to do it rather hurriedly and we didn't have the opportunity to do all of the original re-

search so we accumulated all of the information we could from those agencies. And they did concur in the statements that were presented in our board of directors which is made up of elected officials, a representative grouping of them from this region, did approve this.

It was submitted to HUD and was subsequently approved by them as satisfying their requirements.

MR. GLICKSTEIN. And your board of directors approved this?

MR. MOODY. Yes.

MR. GLICKSTEIN. What did this report show in terms of housing problems? What were some of the serious housing problems described?

MR. MOODY. Well, in general, and I was not here earlier today but I am sure that you heard a summary of all of these today, but in general we felt that there was a lack of housing for low- and lower-middle income people, for elderly, for handicapped people in general, that there was a considerable supply of dilapidated and deteriorating housing, perhaps as much as a quarter of the housing in the region, and that this was one of the major problems of this area, adequate housing.

MR. GLICKSTEIN. Did the report also attempt to evaluate the extent of public resistance to various programs?

MR. MOODY. Probably not quantitatively, but qualitatively we did indicate that we sensed that there was public resistance to open housing, to the open housing concept in general, but not quantitatively.

MR. GLICKSTEIN. What about the low- and moderate-income housing projects?

MR. MOODY. Yes, we sensed that there is a public reaction hostile to that, also.

MR. GLICKSTEIN. How about multifamily housing?

MR. MOODY. In some areas we sensed that there is that resistance, also.

MR. GLICKSTEIN. And was this true in St. Louis County?

MR. MOODY. Generally I would say yes, we did notice these in the county as well as in our other jurisdictions. Perhaps the city of St. Louis was the area which showed the least, of course resistance to these particular things you've mentioned.

MR. GLICKSTEIN. How about zoning? Is that a problem?

MR. MOODY. We have had no opportunity as of yet to really analyze zoning in terms of the specifics of the situation. We had a relatively brief time to accumulate this information and we indicated it is an area that should be looked at and the total metropolitan point of view but right now I could have no particular conclusion. We know that zoning can be a factor in discouraging the types of housing that you have mentioned.

MR. GLICKSTEIN. Mr. Moody, under what HUD program does your money come?

MR. MOODY. Well, in general, although we have had multiple types of funding, in general, we come under what is known as the 701 Comprehensive Planning Funding Program of HUD.

MR. GLICKSTEIN. And that's a program that's designed to foster metropolitan cooperation and development. Is that correct?

MR. MOODY. Well, it is in our instance. It is also available to cities individually for planning but for our purposes, yes.

MR. GLICKSTEIN. Now, I know that as the executive director of the group such as East-West Gateway Coordinating Council you might be biased in answering the question I am about to ask, but do you feel that the council has promoted greater cooperation and fostered more intelligent planning in the area within its jurisdiction?

MR. MOODY. I think we are in our infancy in the efforts that have to be made in this area but I don't think that there's any question that we are beginning to see a willingness to work together on problems, air pollution, water pollution, things of this nature. I sense, it's just a reaction of mine, that the officials with whom we are working are more and more ready to look at problems jointly, and I say this with the realization that when our organization was formed there was a great resistance even to forming the organization, and that it took 18 months of argument and debate as to how to structure it and how to organize it if at all, and that many of our communities were interested only in highway planning. And we have evolved from that into the fields which I described to you in each instance at the vote of the board of directors of the council.

MR. GLICKSTEIN. Mr. Moody, I'm not a planner, but as I understand it, there are 96 municipalities in St. Louis County. Is that correct?

MR. MOODY. That's within one or two, either way. I think you are correct.

MR. GLICKSTEIN. To a layman it would seem to me that perhaps this was creating one of the most inefficient systems possible for carrying out some of the functions of government, such as sewer and air pollution control, school systems, police systems. Would you care to comment on that?

MR. MOODY. Yes, I think that in general it would be desirable if there were less fragmentation of government in the area and that you don't think of things this way. If you owned it and had to run it the way it would run the best you would certainly not organize it in that way.

I don't know if that's an answer or not, but the fragmentation is rather widespread in this area.

MR. GLICKSTEIN. You mean if St. Louis County were a business,



some big company were running it, you don't think they'd have 96 separate subsidiaries?

MR. MOODY. Probably not.

MR. GLICKSTEIN. What is your view on metropolitan government?

MR. MOODY. Well, I am in a rather sensitive position with regard to that. One of the reactions that I would sense in opposition to our organization where we sense it, and in the opposition of formation of our type of organization was the fear of the metropolitan monster or the metropolitan government. Even the word "metropolitan" has implications which I sense are hostile as I make my rounds in my work.

I think there's a general reaction against major metropolitanization. I think politically we've had some instances in the last 15 years, two efforts in the city and county to undertake a consolidation or a borough plan, and both were unsuccessful politically. There is a reaction against the bigness that the metropolitan government connotes.

MR. GLICKSTEIN. Are you familiar with efforts of metropolitan governments elsewhere in the United States?

MR. MOODY. Somewhat, yes, sir.

MR. GLICKSTEIN. As I understand it, there are three such efforts, Indianapolis, in Jacksonville, and in Nashville. Have you had a chance to evaluate those efforts?

MR. MOODY. Well, I'm familiar with all of them. Some of them are very recent. Indianapolis is very recent. Nashville and Davidson County and Tennessee are I think a rather successful example of a merger of fragmented units of government.

Jacksonville is a rather new instance, also. And I'm not too familiar with whether they are achieving good results or not in that particular one.

MR. GLICKSTEIN. I have no further questions, Mrs. Freeman.

COMMISSIONER FREEMAN. Do the Commissioners have any questions?

COMMISSIONER RUIZ. No questions.

COMMISSIONER FREEMAN. Thank you, Mr. Moody. You are excused.

This hearing will recess until 9 o'clock Saturday morning, here in this room, where we will open with Mr. Roos and Mr. Schneider.

(Whereupon, at 6:10 p.m., the hearing was recessed.)

# U.S. COMMISSION ON CIVIL RIGHTS

## SATURDAY MORNING SESSION

JANUARY 17, 1970

CHAIRMAN HESBURGH. The U. S. Commission on Civil Rights will kindly come to order. Our first witness this morning is Mr. Lawrence Roos, supervisor, St. Louis County and Everett Schneider, chairman, St. Louis County Housing Authority. Would you gentlemen please take the stand.

(Whereupon, Mr. Lawrence Roos and Mr. Everett Schneider were sworn by the Chairman and testified as follows:)

**TESTIMONY OF MR. LAWRENCE ROOS, SUPERVISOR, ST. LOUIS COUNTY AND MR. EVERETT SCHNEIDER, CHAIRMAN, ST. LOUIS COUNTY HOUSING AUTHORITY.**

MR. GLICK. Gentlemen, would you please state your name and address and your occupation for the record, please?

MR. ROOS. My name is Lawrence K. Roos. I am the supervisor of St. Louis County, Missouri.

MR. GLICK. Mr. Schneider?

MR. SCHNEIDER. My name is Everett Schneider. I am a builder and the chairman of the St. Louis County Housing Authority. My office address is 10127 Manchester in the city of Warson Woods.

MR. GLICK. If I could begin by directing some questions to Mr. Roos. Mr. Roos, in your recent State of the County message, you indicated that you expect that the county must and will create 200,000 new jobs during the decade of the '70's. Is that correct, sir?

MR. ROOS. Yes, sir.

MR. GLICK. Mr. Chairman, I ask permission to enter Mr. Roos' State of the County message into the record.

CHAIRMAN HESBURGH. So ordered.

(Whereupon, the document referred to was marked Exhibit No. 34 and received in evidence.)

MR. GLICK. Mr. Roos, would you expect that these jobs, these 200,000 new jobs will cover the whole spectrum from high professional, technical, and into blue-collar worker situations?

MR. ROOS. I would hope that they would, this figure of 200,000 jobs was a broad figure and certainly it would be my hope that these jobs would satisfy the demand of growing industry and commerce in our county for people.

MR. GLICK. Mr. Roos, do you think it would be possible for the workers who occupy these positions to find housing within St. Louis County?

MR. ROOS. I would think that some of them would and that some of them would come from the areas surrounding St. Louis County as they presently do.

MR. GLICK. Well, for those workers who will find housing in the county, do you think there will be housing available at all economic levels?

MR. ROOS. I would hope that there would be just as, on the same basic pattern and scale as presently exists, yes, would hope that our county would continue to have a balanced availability of housing for people of all economic groups.

MR. GLICK. Over the last several days of these hearings, Mr. Roos, we heard some convincing testimony from black people that it is somewhat difficult for black people, black workers, particularly blue-collar workers to find housing in the county. Do you think there will be housing available for the inevitable group of black workers that will be coming to fill some of those jobs?

MR. ROOS. Well, I would hope that—it has been our policy, let's state it this way, that any individual, be he black or white or whatever religious persuasion he might be, would have available housing for him consistent with his economic ability to qualify for residence in the county. We have, as a county administration, we have taken what we consider to be energetic steps to—within our authority, which is somewhat limited because our county government has authority only over part of the county in which about one-third of the population resides—we have done everything that we feel our authority permits us to do to assure that no one who has the economic capacity to purchase or rent a home in St. Louis County, would be discriminated—or prevented from doing that, because of reasons of race or religion or national origin or any other reason.

MR. GLICK. It's obvious that the cost of land is rising nationally and certainly here in St. Louis County. Do you think that it will be possible during the period of the '70's that the cost factor will not inhibit the production of housing for low-income or moderate-income workers?

MR. ROOS. Well, I think the economic factors are a very important factor in the availability in the development of housing in any area. I think that one of the reasons that very low-income housing is not being built in great numbers in St. Louis County is the economic factor. We haven't had many instances that I know of where builders have come in and have petitioned for rezoning for low-cost housing, that they have been deprived of that privilege by the county government. But on the other hand, as a county government, we have no ability nor authority to control the cost of land and to con-

trol the desires of builders to serve their own economic goals of building the type of property or of homes and residences that they feel will be economically advantageous to them.

MR. GLICK. So you would say, then, that current county zoning standards will not inhibit the building of low-income housing or moderate-income housing?

MR. ROOS. I would say that we would be opposed to the use of zoning—and we have not used zoning—to inhibit, or to guide the—or to exclude, let's say, anyone from residence in St. Louis County. Certainly, we are dedicated to maintaining a high quality of residential development in our county. We want to have a balanced county. We do have low, medium, and upper-income residential developments in our county but I would say that we, as an administration, I can only speak for the last 7 years, have not attempted in any way to use zoning as the mechanism to exclude people from our county.

MR. GLICK. We have heard some suggestions that large lot zoning particularly has some racial implications as well as economic. Would you care to comment on that in your view, Mr. Roos?

MR. ROOS. Well, to the best of my knowledge, large lot, our zoning for large lot developments has not had any racial implications from our point of view. We have used zoning in an attempt to control urban sprawl and the development of our communities so that residential development will be located consistent with the ability of our roads and our other services to serve the people who move into these things. I would say that our basic plan, development plan, in St. Louis County is based on the principle that we do not—that we would like to guide the growth of our, and the development of our county so that there is a gradual moving outward from the central part of the county in the interest of being able to serve the people who move there and to serve them on a basis that is economically feasible for the taxpayers of our county. I think this is a sound and generally recognized principle of planning and that certainly has governed our thinking but I don't know—it's never come to my attention in 7 years that any effort has been made to use zoning as an exclusive or restricting mechanism.

MR. GLICK. Well, has there been substantial citizen opposition to high density zoning in the county?

MR. ROOS. I think there has been occasional citizen opposition from any group that exists in an area to a further encroachment on their area. This is true in terms of industrial zoning and it's been our experience when people wanted to develop industrial and commercial developments, that residential inhabitants who live nearby will frequently object to anything that they feel jeopardizes their community, but I haven't interpreted this with any racial restrictive overtones.

MR. GLICK. I see. Mr. Schneider, one of the devices that we have heard mentioned in the hearing that we have had, is the Turnkey public housing and we understand that some use is going to be made of this in the county. Could you briefly tell us what that means in the county of St. Louis?

MR. SCHNEIDER. Well, it means we are endeavoring to house some of our citizens who couldn't otherwise be housed. You see, our Commission takes the attitude that the old public housing approach or the Federal bulldozer approach, merely going in and knocking down vast areas of ground, is not the proper way to handle this kind of situation. As a result, several years ago, the new approach of the Turnkey method was passed by the office of HUD and we have taken advantage of this program. We had, perhaps, 1,000 submissions. We have 600 reservations in the county and 100 reservations for leased housing, and at the moment we are in the process, and this is all in the pipeline. We have some of them a little farther along than others but this is the way and the method. Do you want to get into the mechanics of it?

MR. GLICK. No, sir, not really. I would like to ask you what areas specifically in the county the construction reservations are going to be used in?

MR. SCHNEIDER. Well, I think we were a little bit fortunate in that we are spread around fairly well. We have one in North County. At the moment, we have problems there around Halls Ferry, in that there is an annexation program about to take place which may inhibit that particular project. We have one in Maryland Heights, oh, 60 some-odd-units. We have one in Meacham Park, about 160 units of general occupancy. In Robertson we have, oh, I believe about the same size project and another one over South County on Vance Road. Now this pretty well uses up our 600 units.

MR. GLICK. Where will the leased housing reservations be located?

MR. SCHNEIDER. Wherever we can find it. This is quite a problem finding leased housing. We are right now working with the Fort Worth Regional Office to up the figures because it is just an impossibility to get this leased housing at the rates they had prescribed and they do this you know.

MR. GLICK. Mr. Schneider, can you tell me what the racial composition of the Meacham Park settlement is now?

MR. SCHNEIDER. Meacham Park is mostly black. Robertson, in the 1960 census figures, showed about a 50-50 ratio. Maryland Heights is almost totally white. The Vance Road project is, I am almost sure, totally white in that area. And the Halls Ferry, as a matter of fact, is totally white.

MR. GLICK. Specifically with respect to Meacham Park, let's talk about that one first, is it the intention of the county to relocate the

current inhabitants of Meacham Park into the Turnkey housing that will be built in the area?

MR. SCHNEIDER. We are endeavoring to take care of the people in a given area. Just to give you an example, sir, we had an urban renewal project called Elmwood Park, and as a matter of fact, it is just behind this building. Well, there was tremendous resistance, this started before I was the commissioner, incidentally. There was enormous resistance. Once it was a *fait accompli*, the residents, by and large, with some reluctance did sell to our commission, which they had to do, of course. Now we find that the vast majority of the people who had lived there before are back living in Elmwood Park which is very interesting to me and I am very pleased, because we have found that, by and large, people have lived in an area for many, many years, sometimes three generations, in some instances, since Civil War days. These people do not want to leave their community. As a result, we are desperately trying to get these people right back where they were because this is what they want, and it's happening. It's happening right behind us here in the only urban renewal project we have in the county.

MR. GLICK. That's Elmwood Park?

MR. SCHNEIDER. Elmwood Park.

MR. GLICK. And the racial character of these people, if I understand correctly, is entirely black?

MR. SCHNEIDER. Not entirely but mostly.

MR. GLICK. Mostly. Was there any encouragement given to any people—any Caucasian people to move into the Elmwood Park redevelopment area?

MR. SCHNEIDER. Your question was would we allow this or did they ask—

MR. GLICK. No. Was there any encouragement?

MR. SCHNEIDER. Encouragement? We don't encourage anyone. We make housing available. We do encourage the former residents. This is the only thing that we do. We go way out of our way to encourage former residents if they would like—they have first chance, in other words. They have the first shot at moving back into this development, be it an apartment project or single family, and we have both.

MR. GLICK. So the process that took place in Elmwood Park was that the old housing was taken down and the black residents were moved into the new housing which is a great improvement over the old housing?

MR. SCHNEIDER. That is right.

MR. GLICK. And you expect this same process will take place in Meacham Park and in Robertson?

MR. SCHNEIDER. Absolutely. What we are endeavoring to do there also, is encourage our developers and builders to buy ground wherever they can find it so that they will displace the least number of

people. This is the idea. Then, you must remember one of our prime objectives in the county here, is to remove about eight or nine areas of blight. We wanted to clean it out and we worked very diligently in this area. It isn't easy. There are many, many obstacles and I am not going to bore you unless you want to hear about some of these things—

MR. GLICK. No, sir.

MR. SCHNEIDER—our trials and tribulations.

MR. GLICK. What is actually happening is that some black poverty pockets are going to be redeveloped but they will still be pockets of black population within the county?

MR. SCHNEIDER. No, not black. I say pockets of blight. You see—

MR. GLICK. The pockets of blight that were inhabited by black people are being redeveloped?

MR. SCHNEIDER. Not just black, that's what I am saying. We have areas of white poverty. We have an area called Pettys Hill as an example which is totally white.

MR. GLICK. Yes, I understand.

MR. SCHNEIDER. We want to clean this out. We have an area in Maryland Heights which is almost totally white and we want to clean this up. This is one of the areas of our Turnkey program.

MR. GLICK. But with specific reference to the three areas of Elmwood Park, Meacham Park, and Robertson, these are black areas and they are being redeveloped to provide decent housing for the people?

MR. SCHNEIDER. Oh, yes.

MR. GLICK. But after redevelopment, they will remain black areas essentially?

MR. SCHNEIDER. No, no. You see, the housing authority cannot discriminate in any way.

MR. GLICK. I understand, but the people who are there will relocate back into the new housing.

MR. SCHNEIDER. We hope so because they don't want to leave. This is what we have found and we are only trying really to comply with the wishes of the people who were living there. And we certainly want to try to do this. And I think we are doing it.

VICE CHAIRMAN HORN. Could I ask at this point, Counsel, in terms of the redevelopment project and the area that you are cleaning off to redevelop, are the same number of housing slots being made available under the new project as were there formerly so that all residents, if they wanted, would be rehoused in better facilities in all these projects?

MR. SCHNEIDER. Yes, sir. As a matter of fact, we have a little more because we do have two apartment projects along with the single family.

VICE CHAIRMAN HORN. Counsel's point is that if these areas are already either primarily white or primarily black and you do re-

develop them and it is the resident that is, quite correctly perhaps, being given first dibs on moving back in, it means you are again having almost all-white or all-black communities if that is what they were—and I would like to get at that point in a minute—just in a better standard of housing. Now I guess the question is what proportion was white and black in these communities? Were they all totally one way? You suggested that it wasn't an all-black community. And did the whites move back in or do they—have you got any indication once it was redeveloped if it is an all-black area?

MR. SCHNEIDER. We have some white people living in Elmwood Park. The quantity, I really don't know. In an area like Maryland Heights, anyone can make application and anyone can move in and whether the white people who were living out there want to move into these or whether black people want to move in—you see we really don't have control over this. If we were to discriminate in anyway, why we would have the office of HUD on our back and it would simply mean the end of the program, and we can't afford to do this. Therefore, whoever will make application for one of the units, we will endeavor to help him get this unit. Now, he can be black or white.

MR. GLICK. Mr. Schneider, how long do you think it will be before the new housing is built in Meacham Park?

MR. SCHNEIDER. I don't know if new housing will ever be built in Meacham Park. We have a Turnkey project which is in the pipeline. It could go, it could drop. We don't know. I mean if somewhere along the line the price, for instance of the ground, the purchase cost of the ground for the developer is too high, and you know we must get two land appraisers to appraise this ground. We must also get two cost accountants to check the cost of construction and if the pricing is too high, that can inhibit the project. If the man cannot get the ground which he says he has under the option, if he doesn't, that can inhibit the future of the project.

MR. GLICK. But in any event, it will be some time—

MR. SCHNEIDER. It's painfully slow, no question about it.

MR. ROOS. Mr. Chairman, might I address myself to that?

MR. GLICK. Yes, sir, please do.

MR. ROOS. Within the last month I had in my office one of the leading entrepreneurs of the black community, Mr. James Hirt, who has very specific, ready-to-go plans for developing Meacham Park or parts of Meacham Park through the private sector, and he has met with the people of Meacham Park and intends to develop new housing there exclusive of the Turnkey approach. I would have high hopes after seeing the presentation of Mr. Hirt that possibly there will be considerable new housing built under the traditional private system of building.

MR. GLICK. You've seen his plans?



Mr. Roos. I have seen his plans. I have seen his architectural drawings. He has met with the community within the last several weeks and I am very optimistic that he'll get part of the job done without the use of the Turnkey or other programs.

Mr. Glick. The cost of the housing that he proposes to build is such that the people who now live in Meacham Park will be able to afford it?

Mr. Roos. He believes that it is.

Mr. Glick. Without any kind of subsidies?

Mr. Roos. Well, I assume there would probably be federally insured financing. But he intends to—he is on the way to getting this job done if the representations he made are valid, which I believe they are because he is a man of great community repute.

Mr. Glick. Do you happen to know what the zoning is in Meacham Park, Mr. Roos? I mean do you know what the lot size is?

Mr. Schneider. I think I can answer that. The lots vary anywhere between 25 and 50 feet. The existing lots. Is that right, Mr. Patton? Or thereabouts?

Mr. Roos. We have our planning director here, Mr. Chairman.

CHAIRMAN HESBURGH. Surely.

Mr. Schneider. The platted lot sizes? Six thousand square feet.

Mr. Glick. 6,000 square feet.

Mr. Schneider. Single family. In other words, 60 by 100. Now, is this the actual platted area or this the zoning? This is the zoning.

Mr. Glick. So on a lot of 6,000 square feet, it is economical to build low-cost housing?

Mr. Schneider. Well, that's assuming that you can buy the ground. This is one of the great obstacles not only here but all over the country and I happen to be very active, I am not bragging, I am chairman of all Turnkey developers liaison between NAHB and HUD for our region and I see this. We meet in Washington regularly also.

Mr. Glick. I would like to return, if I could just a minute, to the issue that Dean Horn spoke to and that is the question of the race of the people who will be moving into the Turnkey housing that is developed. I pose a question to both of you gentlemen: if other sites rather than Meacham Park and Robertson and Elmwood Park had been chosen, other land, vacant land in the county, had been chosen for the building of Turnkey housing or other assisted housing, public assisted housing, do you think it might be possible that the housing would have been inhabited on an integrated basis?

Mr. Roos. Well, I think we—I don't think that we have any way of knowing this, Mr. Glick. We had a great deal of resistance in St. Louis County some years ago. One of our municipalities, Webster Groves, proposed an urban renewal project which was badly needed in the area. And this happened to be an area that involved essentially black residents and the community opposed this strenu-

ously because of a fear that this was being used as a means of displacing the black people who lived there and who had lived in our county for generations in many cases. So, it's a very difficult proposition to attempt, at a governmental level, to achieve a racial mix in these things because those people who live there presently are extremely fearful that this is really a subterfuge to get them out of the county and back into the city situation, to displace them, so we have not attempted, or at least the county government has not attempted—I don't know about the housing authority—to plan these things on the basis of achieving a racial mix in a neighborhood. It would be great if we could have it, but I don't know that under the governmental authority that we have and if we are going to be in any way concerned with the sentiments and the feelings of the people who live in those areas that are involved in Turnkey and these other things, that we, as a government, can say: "Look, we are going to create something where we will have an equal mix of black and white people."

MR. GLICK. I have no further questions, Mr. Chairman.

CHAIRMAN HESBURGH. Dean Horn, do you want to start the questioning with the Commissioners?

VICE CHAIRMAN HORN. I guess I only like to pinpoint that last question because I think that's the basic one. This Commission obviously for years, has looked around the country at different aspects of civil rights, human rights problems. Several Congresses, several Presidents of both parties have committed the country to a policy of integration and equal justice and nondiscrimination. Now, it's one thing to pass pretty words and rhetoric in Washington, even by the people's representatives from all over the country. If anything gets done, it's got to be done through the really thousands of public and private organizations and communities at the local level and here you are, you are on the firing line, and I guess what this Commission is probably seeking is based on your quite vast political experience, administrative experience in local government.

Do you feel there are any—is it good public policy, are there any proposed solutions that we ought to be hearing so that perhaps 10 years from now, based on actions your county government might take, or actions you take in cooperation with the State, Federal Government, and the communities, we might have integrated communities not merely in the racial sense, but perhaps also in the economic sense, because I think they are tied together in many areas and this is part of the problem. But is it desirable so we can avoid this blockbusting, this movement, the fleeing of the whites to the far suburbs and to the far ends of the county as different racial populations push from the inner-city. Can we head this off and this potential explosion off by planning in advance to get at this problem through our own authority at the local level in both housing and other areas such as zoning so that we achieve, let's

first say, an economically mixed community which I think might also lead, in terms of nondiscrimination, to a racially mixed community. I am not saying we play God and say X number here or there. I am saying we sort of channel our public planning so that this might happen. I wonder what your comment would be on that?

Mr. Roos. Dean Horn, I think that—there is no question in my mind that as a goal, as something to be sought, that an integrated community is a goal which all of us in the public and the private sector should seek. I have very real reservations as to whether government, especially government at the local level, can by itself achieve these purposes. As a county government, certainly we do not have the authority, we do not have the taxing authority, we do not have the jurisdiction in this area, nor do most counties, to accomplish this goal alone.

I think that the record of the Federal Government has been one of failure in accomplishing this end and I would submit and I say this with due respect, that our Nation's Capital, which should be a showplace of this type of integrated community to which you refer, is, as I understand it, no different from St. Louis County and St. Louis City and most of our other metropolitan areas, and the solution of this problem, I think it goes way beyond government. I think it goes to economic and social—the economic and social institutions and attitudes of our society. I think that the economic capability of our poor must be improved through jobs and through general economic uplifting. I think that our educational process must be such that our people are fortified in educational and in a cultural manner both to participate in and to accept the goal that you speak of. I would hope that somewhere along the line that this will be achievable but I quite frankly do not look to government as being the sole means of accomplishing it. I think the government does have a responsibility. Government must enforce the laws and promote laws that would make possible and make available to anyone to the extent that our society is prepared to do it the equality that we all seek. I think that we must attempt through our—through the use of zoning not to be restrictive, but I don't see government either at the local or the Federal level alone accomplishing this and I believe in the past 30 years, government has, at least at the Federal level, has been given lots of brain power, lots of idea creating, and lots and lots of money, and I really don't see a great deal of progress in seeking the goal of complete residential integration having occurred anywhere in the country except in a few isolated instances.

VICE CHAIRMAN HORN. Well, I think generally, your statement is quite correct. The Government can't do it alone. It shouldn't do it alone. It doesn't have the power to do it alone even if it wanted to. But again, we get back to the local level and what might in a county government, as in your case, you have apparently two-

thirds of the land area and one-third of the population. You have dozens of municipalities with their own governmental functions over which you have no control. You have got a city facing you on the east over which you have no control. Is there really—I can understand your frustrations as a county supervisor trying to work your way through this web of competing government jurisdictions. Is there any advice you would have to give, perhaps, in terms of consolidation of these various groups in certain areas to achieve better regional planning rather than have everybody sort of doing their own way and the devil take the hindmost?

Mr. Roos. Well, I have, I think, since the first day I entered public office, advocated a simplification and improvement of the jungle of overlapping and duplicating jurisdictions we have in this area. And I still feel that from the point of view of efficiency and economy of government and effectiveness of government, that we should either attempt to reduce the total amount of local jurisdictions. We have some 160 different governments in St. Louis County alone. I think this is something that should be sought for the improvement of our governmental processes.

I don't happen to believe in a one general super-government, if you will, over the entire area. I don't think that will accomplish anything. But I don't see the streamlining of our structures of local government in this area as being directly related to the racial—the seeking of the goal of racial integration. All you have to do is look at the city of St. Louis. The city of St. Louis has one government over it and yet it has one section, South St. Louis, which is as white as white can be and an essentially black area on the north end, and this is one government over the entire city area. So, I don't think that—while I am totally dedicated to an areawide approach to these problems and I have sponsored under the East-West Gateway Coordinating Council, which is our local Regional Council of Governments, the creation of citizens' advisory task forces, which would deal with such problems as housing and education and these other things that are eminently involved in race relations, I question whether we would eliminate or even improve the problem of racial segregation even if we had one government over the entire St. Louis metropolitan area, which I think would create more problems than it would solve.

In other large metropolitan areas, the tendency today in New York, for example, as I understand it, is a decentralization of government. There is a tendency away from big government into giving greater control to neighborhood areas. In the city of St. Louis, there are many people who are seeking a neighborhood decentralization of the school system into greater neighborhood control. So I don't think that government is necessarily involved or governmental reorganization is necessarily directly related to the solution of the problem which I believe your Commission is concerned with.

VICE CHAIRMAN HORN. Well, I think you have made a very profound point on that and you have a very good analogy when in our major cities where there is one government although there might be some special districts within those cities, we obviously haven't achieved the economic and racial integration that we are talking about, which ought to behoove us all to figure out what forces are at work, maybe in the private sector, that really influence these decisions despite what government both aspires to in rhetoric and perhaps in its way, sometimes halting, tries to do in practice. That's all I have.

COMMISSIONER MITCHELL. Mr. Chairman, may I ask a question relevant to Mr. Horn's question? Mr. Roos, do you think—you made reference to the city—the government of the city of St. Louis and the fact it has—the city has segregated characteristics, north and south. I don't agree with Mr. Horn because I would ask you whether you believe the government of the city of St. Louis has done what a government should do or in simple terms, has really wanted to integrate the city?

Mr. Roos. You are asking a Republican county supervisor to pass judgment on a Democratic mayor in the city of St. Louis.

COMMISSIONER MITCHELL. Is that the way we evaluate the—

Mr. Roos. My answer would be there has been a great deal of rhetoric—you put me in a very difficult position.

COMMISSIONER MITCHELL. Now I'll ask you something. Are you, as a county supervisor in St. Louis County, as head of that government for 7 years, do you really want to integrate that county?

Mr. Roos. I would like to—

COMMISSIONER MITCHELL. I didn't ask whether you would like to, but whether you want to. I wonder if you want to exercise leadership to do it?

Mr. Roos. Yes, sir. I would like to see in St. Louis County, a county where anyone who seeks the quality of life that we think our county represents and who has the economic capacity to live in that quality of life, be they black or white, I think that they should all have the privilege and there should be no social or artificial, legal or other impediments to their enjoying this. However, traditionally, originally the West End of St. Louis city was an upper-income area. People who did not have the economic capacity to live in the West End of St. Louis, lived in the less affluent areas of the city of St. Louis. As they achieved economic status, they were able to move west, they moved west. The same thing is happening in St. Louis County but I think it's essentially an economic impediment rather than an artificial social impediment which says we, in St. Louis County, don't want people who are black or are poor in our county.

COMMISSIONER MITCHELL. Do you think government is helpless in the face of these kinds of developments?

MR. ROOS. Pardon me, sir?

COMMISSIONER MITCHELL. Do you think government, generally, is helpless in the face of these kind of developments?

MR. ROOS. I think governments should make sure that this opportunity exists. But I don't think it is the business of government to—and certainly of a county government—to reach out and to reach into the inner-city, let's say, and to physically—to transplant people—I would hate to be a party to a transplant, if you will, of slums from the city into the county. I would like to see that the people who live in those slum conditions, just as quickly as possible, are given whatever is needed to enable them economically, to afford to move out of those slums or if they live in those slums, to have far better living conditions than those that are presently there. But I think no national purpose would be served by transplanting, if you will, the people from a slum area, be they black or white, into St. Louis County or any other area until those people have had the opportunity presented to them to be economically capable of functioning in their new environment.

COMMISSIONER MITCHELL. Yet you are talking about 200,000 jobs in St. Louis County. Do you have the manpower in terms of just white people to service those 200,000 jobs?

MR. ROOS. No, sir. And as I understand it, there are many black people employed in St. Louis County today and as I understand it, although I am not—our county government doesn't get into this business other than in terms of more leadership—as I understand it, there are job opportunities available in many of our large industries in St. Louis County for black or white people that are not presently filled. I think that the National Alliance of Businessmen and other people who have been in this business have created and are willing to do nearly everything in the way of training people to fill these badly needed job vacancies that they have.

COMMISSIONER MITCHELL. Wouldn't it be a possibility that black people don't fill these jobs because they haven't been able to find places to live near where they would work?

MR. ROOS. Well, perhaps this was true in some instances. On the other hand, these are people who—let's take McDonnell Douglas which apparently—all right. The distance between McDonnell Douglas and the inner-city is no greater than the distances over which many McDonnell Douglas people travel daily to commute to those jobs. My understanding that the TEMPO Program, the federally financed effort to provide transportation from the inner-city out to these plants, was not really utilized fully in some instances, and had to be abandoned.

COMMISSIONER MITCHELL. Well, we know that there are many black people who work at McDonnell Douglas in special kinds of jobs.

MR. ROOS. I don't think, Mr. Mitchell, that you can take—I don't think assuming that we can press a button and ring these industrial

plants in St. Louis County with residential facilities for those who work there and create, in effect, a factory town type of environment which we are also trying to break down in other parts of the country. I don't think that this is feasible in St. Louis County and I don't think that a factory town arrangement is necessarily a socially desirable objective. I think that we should attempt continually through rapid transit and through the use of other means of making these jobs accessible to people who need the jobs.

I certainly think that where possible where economic factors permit the development of housing, I certainly don't think there should be any artificial exclusion but I question whether you are going to, in a county such as ours with a dwindling supply of land and that land quite expensive, I don't think that we are going to achieve the objective of having McDonnell or Chrysler or any of these other areas ringed with a great amount of low-cost housing other than that housing which is economically feasible and attractive for builders to build.

COMMISSIONER MITCHELL. I have one last question. It's really an observation in the form of a question. Consistently the argument has been advanced that local government can't solve these problems. Even the National Government can't. I happen to think that these are not national problems but they are local problems because we are dealing with people and people are not national, people are always local. The thing that I would ask you is, do you believe after some years as a county administrator, that the black people who can't find their way into your county, or who are living in enclaves in that county, believe that you who are the county government are really trying to seek an integrated community?

Mr. Roos. I think that people who are frustrated in their desires, as many of these people are, love to be able to seek a scapegoat. If you answer, I would say that a black person who hasn't found a place of residence in St. Louis County probably does not believe that this county government or any other county government is doing everything possible, in the judgment of that person to provide housing. I happen to feel that we are doing everything within our authority and within our jurisdiction to make this available to people. I would assume that there are white people, poor white people, who would like to live in St. Louis County and who are frustrated and who feel that the society is stacked against them, too. No, I don't think these people think that we are doing everything but I do think that we are doing everything possible under the circumstances.

CHAIRMAN HESBURGH. Dean Horn wants to follow up on the question.

VICE CHAIRMAN HORN. I think what the Chancellor says and what my earlier question suggested and I think all members of the Commission have felt this, were asking, I guess, not merely what can

be done within authority, but will political leaders at the local level take the moral leadership to the community even beyond their authority. But now let me ask you something that I suspect is at least partially within your authority.

In my few days here in St. Louis city and county and surrounding suburbs, I think one of the frustrations I have had as a Californian, is the lack of your transportation system from the central city to the suburbs. And I wonder what progress is being made. We have heard testimony about the bus rides of an hour, 2 hours to work from the central city and I can understand the frustrations there. While many people in our society, both poor and rich, have cars, let's face it, they don't always work. Mine doesn't work at the present time.

What's being done between the city-county suburbs to really get a decent transportation system? This is a problem of every major metropolitan area.

Mr. Roos. The development of an adequate transportation system, of course, involves the entire metropolitan area. Larger and broader in significance than the city of St. Louis or the county or even Missouri or Illinois.

We have a regional council of governments, the East-West Gateway Coordinating Council, which has been working and is working on the development of a plan for rapid transit. This plan, in turn, being coordinated with the development of highways and other modes of transportation to serve the metropolitan area. It's estimated that within a year a final plan prepared by expert consultants and hopefully approved by the elected heads of government, and now the citizens advisors who have been recently added to Gateway Council, that such a plan will be published and then, hopefully, we will find the means of financing such a plan.

There are those people who say that it's taken a long time. As a long time resident of this metropolitan area, if it's going to involve a billion dollar bond issue to build this sort of thing, and this is about the general dollar amount we are talking about, it's got to be pretty perfect because if there are flaws, if it was hastily conceived, if the corridors were not planned so that they could be defended against all sorts of opposition, and I don't think that the community will buy it.

So I would say there are very energetic efforts afoot to solve the problems of moving people. It's not only, Dean Horn, moving people from the inner-city out to the suburbs. Within the next 10 years, 43 percent of this metropolitan area—of the people in this metropolitan area—will live in the suburbs. It is moving people crosswise and laterally throughout our suburban areas in addition to providing movement into the central city. We are working as hard as we can as a metropolitan area on a very complex problem



and I couldn't agree with you more that it's one of our top priority needs in this community.

CHAIRMAN HESBURGH. Mrs. Freeman?

COMMISSIONER FREEMAN. Mr. Roos, I think it's quite clear and we have to admit the racial discrimination in housing is pervasive in the city of St. Louis and it is pervasive in the county. I would like to follow a response that you gave to Mr. Glick's question as to whether white-collar and blue-collar workers would be able to find homes within their range in the next decade. He was referring to your State of the County address. Your answer was that about the same scale that is presently available.

This Commission is particularly concerned because I believe it was on yesterday that we received testimony from an engineer at McDonnell Douglas—an engineer so he was not a low-income person. He could afford decent housing but he told us about his difficulties in finding housing in the county.

On the first day of this hearing, we heard from the companies and they disclaimed any responsibility. Yesterday we heard from the real estate brokers and they disclaimed any responsibility and today we are hearing that government doesn't have any responsibility.

I would like to ask you if you will consider some, and perhaps this might include a comment from Mr. Schneider, as to whether you and Mr. Schneider have considered the consequences of governmental action in terms of site selection? You are talking about Turnkey projects and this is a good program for low-income families and we all know that if you put a project in a ghetto that it's going to remain segregated. That if the county has land, and it does have land, that governmental action can really affect and cause continued segregation merely by putting a Turnkey project in Meacham Park instead of in Clayton which is predominantly white.

And this is the point that we are concerned with, if the county in 10 years from now, it still is going to be 4 percent black, then the city will be 75 percent black because as you said, South St. Louis is white.

What would you say to this Commission needs to be done and what would you say that you could do if you recognize the consequences of some of the governmental action that you do take?

MR. SCHNEIDER. Mrs. Freeman, if I may, I would like to make a comment in this area.

Your question is a very thoughtful one and, believe me, we've given it one great deal of thought. We have many problems. First of all, you can't legislate people. You cannot legislate people's feelings. Now, here's the problem. I am just getting to one part of this. I will get on it if there is time.

COMMISSIONER FREEMAN. You are going to tell me about what hap-

pens if I make a right turn out here on the street when I shouldn't do it?

MR. SCHNEIDER. No. What I am saying is, I think you should know my feelings on this whole subject. For 20 years, I have dedicated myself to trying to do something about this.

But what I wanted to say is this. Our builders cannot find ground for anyone. Now, I am speaking not as chairman of the authority but I am speaking as president of the State builders' association, if I may. Our builders cannot find ground to meet the needs of middle- and low-income people.

Now, you can say yes, a zoning ordinance is in and of itself, discriminatory, and it is. There are very few cities, of course, which do not have a zoning ordinance. Almost all do. The city of Houston is one example of one without a zoning ordinance.

Now, this is not a question of discriminating against black or white. This is a question of economics, a question of being able to buy ground, a question of paying the enormous salaries the builder must pay now to produce a home. What cost \$15,000 a few years ago, today would cost close to \$25,000. And these are statistics. This is not just something we make up here.

Now, the other question is this, and I think even more important. When the issue of Turnkey was presented to the county council and to Mr. Roos, a public hearing had to be held. Now, what happened at this hearing, in my opinion, was unconscionable. You talk of discrimination. I was absolutely flabbergasted. I just sat in disbelief at some of the testimony which was received at this hearing.

Now, the council passed this over the objection of many of this bigoted objection. The council passed it. Thank goodness. We wouldn't have Turnkey today. So just to give you an idea, you can't legislate these people. If someone is bigoted, and let's assume, yes, we have a caste system, we have a class system. Let's assume that. What do you do about it? I would do anything to try to eliminate it and I have been trying to do something about it, but I don't know what in the world you can do to get to a person, who down deep in his gut, will say: "I don't want a black man living next to me."

I could go down and give you example after example. I don't know what to do about it. Do you?

COMMISSIONER FREEMAN. Maybe it would help if some of the persons could say, well, one lives next door to me. You see?

MR. ROOS. Well, Mr. Chairman, may I just respond by saying that—

CHAIRMAN HESBURGH. Before you do, I would just like to tell the audience this is not an audience participation show and we are delighted you are here but we can't get honest opinion on both sides if people are applauding because what really happens is the witness gets all tied up because he feels he is being victimized by

an audience and, therefore, he doesn't say things he would normally say.

Now, we don't want to play to the audience. We want to get an honest, actual statement of what these gentlemen think and we are going to ask some honest, tough questions. We can only do it in an atmosphere where you listen and we listen and whether you like it or not, please keep your feelings to yourselves. I would appreciate it very much. Otherwise, we are not going to have an honest, factual hearing and this has to be done this way. I would appreciate your cooperating.

COMMISSIONER FREEMAN. I hadn't finished yet.

MR. ROOS. Mr. Chairman, may I just—

CHAIRMAN HESBURGH. I think Mrs. Freeman wanted to say something and then you can have the floor next. Okay?

COMMISSIONER FREEMAN. We received testimony from people who have the power to at least say that somebody would live in their neighborhood who would not be of the same color. Yet not even there had anything happened. One of the witnesses told us yesterday, and this was a very healthy thing that had happened to him, this couple had been looking for a house and the pastor of the church helped them find a house in the neighborhood. Of course, after that, the people panicked and ran but at least this was an effort, a sincere effort made by a white pastor, to help a family to obtain homes. What we are saying is that in addition to governmental action, that there are things that can be done to carry out the statement which you make about what you would like to see done and this is what I mean. And that does not happen except in a very few cases.

CHAIRMAN HESBURGH. Mr. Roos?

MR. ROOS. Mr. Chairman, may I take issue with my good and esteemed friend, Mrs. Freeman, and say that in past years, within the last decade, considerable numbers—not as many as you or I would like to have seen—of black people have moved into St. Louis County. And considerable numbers of white people in St. Louis County, who may have had strong predisposition as to what would happen to them if they awakened with a black family next to them, have awakened with black families next to them.

And I feel somewhat proud of the fact, not necessarily the fact that the rate of which this has occurred, but that with the exception of one publicized incident that I know, this process has occurred with a minimum of expressed ill will or of violence or of the type of expressed tension that exists elsewhere, and I think maybe we should, instead of viewing this thing entirely from the gloomy point of view, we should recognize that in one middle-income and upper-income essentially white community in the United States, that integration is occurring. Whether it's occurring quickly enough, I can't say, and I doubt that it is. But it is occurring and it is

occurring with a minimum of real visible trouble. I think we should accept the pluses with the minuses, Mrs. Freeman. I don't quarrel with your concern and with your justifiable desire to see it done more quickly. But let's not downgrade ourselves and berate ourselves to an extent of where we overlook some of the progress that has occurred in St. Louis County.

I think that you have a county administration which is attempting to achieve, perhaps, some of the goals that you are attempting to achieve but who recognize from our own experience, as Mr. Schneider says, that if you went out tomorrow and located Turnkey programs all over the county, without any experience given to our people as to what happens in a Turnkey program without their being able to see that these things can bring progress without posing a threat to them, I think we would probably have a repetition of what happened some years ago in South St. Louis County where the action of the county council would be subjected to a referendum and we would end up with nothing. So, believe me, we are trying but we are trying in a responsible way to achieve something and not just talk about it as is so often the case elsewhere.

COMMISSIONER FREEMAN. Will you, then, comment on the enforcement of the county's fair housing code?

Mr. Roos. To the best of my knowledge, we have set up the machinery for the enforcement of a fair housing code. We are the first government in St. Louis County to have established such a code and we have recently retained the services of a human relations commissioner, Mr. Myron Schwartz, who I understand has one of the outstanding reputations in the Nation for work in this field and, where we have had complaints, we have serviced those complaints and as Mr. Schwartz gets into the saddle, I feel certain that he will be moving out within the community to attempt to accomplish a positive program in this regard even beyond just the receiving and servicing of complaints that are brought to us.

COMMISSIONER FREEMAN. Are adequate financial resources and staff available for the enforcement of the code?

Mr. Roos. I think so.

COMMISSIONER FREEMAN. How much staff is available?

Mr. Roos. Well, our budget for this purpose, for the actual human relations commission is some \$26,000 but in addition to the human relations commission, we have the involvement of our legal department of our county counselor's office so I think that the appropriation of funds and the availability of staff—you see, we are using our lawyers—the county government has its lawyers as well as other segments of the community—and that is a nasty thing to say—and we are using our lawyers, Mrs. Freeman, as well as the people in the human relations commission office, so I think—and our human relations people are getting out into—are working now with our

police department in achieving a community relations program along those lines. I think we are moving ahead quite well.

Again, two-thirds of our people as you know live within the municipality and there is some limitations to our authority over some of the municipal areas but I think we are adequately financing and staffing this.

COMMISSIONER FREEMAN. Thank you. I have no further questions.

COMMISSIONER RANKIN. Mr. Schneider, in giving your testimony a few minutes ago, you mentioned the fact if we did that, HUD would be immediately on our neck. I wonder about the supervision of HUD. I know most Government red tape we hate. But would you characterize the supervision of HUD as strict or loose insofar as these projects are concerned here?

MR. SCHNEIDER. I think in some instances, too strict. In some instances.

COMMISSIONER RANKIN. Would you say in some instances too loose?

MR. SCHNEIDER. No, not really. With any kind of bureaucracy, obviously, there is a kind of a built-in self-protection and this is inherent in anything like this. And I think really as a result, in order to protect oneself, we will perhaps watch a little more closely to make sure that the job is being done. And this is what I have found, very honestly, not only as a chairman of an authority but also as a developer. Obviously I can't, because of conflict of interest, do any building in the county but I do have the development in the city so I have a little experience on both sides of the fence.

COMMISSIONER RANKIN. Well, HUD is interested in integrated housing then. Am I correct in that?

MR. SCHNEIDER. Oh, absolutely.

COMMISSIONER RANKIN. Well, that raises the question, if that's true, like in Meacham Park or Robertson, where you build these housing units and let the former residents, where it's all-white or all-black, have first choice at the new housing. Why isn't that perpetuating separation rather than integration and how does HUD—why does HUD permit this?

MR. SCHNEIDER. Well, by and large, when you go down to a regional office to talk about a Turnkey kind of program, you go in with a plan in mind. Primarily, what we wanted to do—actually there were many reasons, but number one, clean up pockets of blight and the reason we wanted to do this is because blight has a habit of spreading and it's a cancerous kind of thing and it eats away and eventually you have enormous area—

COMMISSIONER RANKIN. I can see why you do it. Why does HUD do this? Why do you think HUD allows this to occur? The perpetuation of integration—I mean of separation.

MR. SCHNEIDER. Well, it isn't. Because you see, we don't have to put all-black or all-white in any given area.

COMMISSIONER RANKIN. I understand, but it works out that way.

MR. SCHNEIDER. The only thing we try to accomplish, is to give first choice to the people who lived there. These people have lived there, in many instances, for hundreds of years. They don't want to move. Now, this isn't a question—if HUD were to say to us: "You live there but we don't want you back" to one of our tenants, why how would you feel about that?

COMMISSIONER RANKIN. Well, I would say then, that the housing makes no impression on the problem.

MR. SCHNEIDER. Well, I don't agree, sir.

COMMISSIONER RANKIN. Okay.

MR. ROOS. Mr. Chairman?

CHAIRMAN HESBURGH. Yes, sir.

MR. ROOS. May I just inject one thought in relationship to your question on HUD. We do occasionally run into frustrations in dealing with HUD and we had one occur yesterday which I think might interest your Commission because I think there should be a consistency of Federal and local attention to our problems.

We applied for Turnkey for the authorization to build 160 Turnkey units, or at least Mr. Schneider's agency did, in Robertson, which is an area close to McDonnell Aircraft and a very severely blighted area where people have lived for generations. Our application was turned down initially because this is in the noise pattern of Lambert Airport.

Now, here are people who live here today and who will continue to live there under either blighted or unblighted conditions but there is the noise of approaching aircraft. We went to Washington and we pleaded this case and we said there are other factors other than noise. There is a factor of no plumbing, no roof, and the rest. Won't you please reconsider this? And yesterday we received from HUD a reaffirmation of the turndown of this request to build 160 decent units in an area because there was noise pollution, as they referred to it, in this area.

Well, I submit, sir, one recommendation that could be made by your group is that the Federal Government consider all aspects of this type of a request and that maybe it's better to have people living under noisy conditions in decent homes rather than living under noisy conditions in homes whose walls are so thin that the noise becomes even more unbearable.

COMMISSIONER RANKIN. Well, I assure you, Mr. Roos, we are as critical of some Federal agencies, if not more so, than of some local agencies.

CHAIRMAN HESBURGH. Mr. Ruiz?

COMMISSIONER RUIZ. Yes. It has been suggested by Mr. Roos that government is not equipped to take a direct role in integration in that you cannot legislate people.

Yesterday we were informed of an experience in University City

which involves municipal government, which is attempted by ordinances and by legislation. To build in a protected, orderly community development and controlled integration, by the use of occupancy permits and education.

In effect, at the time of the sale of a residence, a permit application to bring the home up to code is required and is being practiced, that this has eliminated the fear of old white residents from outsiders coming in and suddenly turning the community into a blighted area. That this is legislation which, in effect, is legislating people.

What do you think of the University City philosophy or project and how could county government assist? I ask this question as one Republican to another Republican.

Now, reference was made to—the witnesses included a Mr. A. J. Wilson. He has been the director of the University City Human Relations Commission for 18 months. He is in private business, industrial design and management. He holds a master's degree in urban planning from Yale University. Both he and Mrs. Leo Drey are very highly qualified persons and they said that a top priority requirement was the need for cooperation from county government.

Now, if I suggested to you, sir, to contact Mr. Wilson and Mrs. Drey, would you do so? Perhaps Mr. Myron Schwartz of your human relations commission and Mr. Wilson can come up with some sort of a positive legislative program or plan, particularly since you have stated that your legal department is tied into it and is involved and that you are seeking in that area to get the community together. These are thoughts that I am giving you, sir, because I don't know whether this has been done or not and it might be valuable.

Mr. Roos. Yes, sir. First of all, I think one of the first people that Mr. Schwartz contacted when he came to St. Louis recently, was Mr. Wilson. And I believe that they are in frequent contact and I can say that certainly the services of our county staff and our county human relations commission are available to University City or any other municipality that asked for our cooperation. And we have had frequent and very pleasant contact with Mrs. Drey and she is always a welcome source of fresh thinking for our county government.

So we stand ready to cooperate with any of these groups. I will say that we also have proposed, in terms of solving problems of potential slum developments in municipalities. I proposed in my State of the County message of a few weeks ago that we should have countywide building and housing codes and that there should be one countywide agency to administer those codes so that we do have a uniformity of administration of the codes that exist instead of all of these separate municipal code enforcement authorities and this, of course, would depend on our getting home rule in St. Louis County. We are prepared to cooperate. Mr. Schwartz is available day,

and I hope night, to talk with Mr. Wilson, Mrs. Drey, or any other municipal officials because we are all one in the same in trying to solve these serious problems.

COMMISSIONER RUIZ. What do you personally believe as to the University City philosophy? Do you think, personally, that they are on the right track?

MR. ROOS. Commissioner Ruiz, I tell you with the greatest sincerity possible, that I am not evading your question, but I am honestly and truly not intimately familiar with what has happened in University City in terms of their ordinances. I honestly am not competent and really I am not ducking your question to answer that.

COMMISSIONER RUIZ. Well, no. That was particularly the reason why I brought it up, because sometimes when we are in high government positions, we delegate these things to other persons. You have stated that your human relations man is in direct contact with the other human relations man and then followed up by saying, very honestly that you know nothing about it. My question is, will you find out something personally about it?

MR. ROOS. I certainly will, sir. I promise you I will.

COMMISSIONER RUIZ. So that perhaps you might then be able to answer the question that I have just submitted.

MR. ROOS. As one Republican to another Republican, I will, sir.

COMMISSIONER RUIZ. Thank you, sir.

CHAIRMAN HESBURGH. We have two quick questions and then I think the Chairman ought to get at least 1 minute. Everybody is taking all of our time and we are already 5 minutes—8 minutes overtime on this particular section of our hearing. So, Howard, if you will ask your two quick questions.

MR. GLICKSTEIN. I just have a couple of factual questions. As I understand it, Mr. Roos, it is your feeling that it is not the function of government—of county government—to play an active affirmative role in integrating communities and bringing together people of different races and social economic levels. Is that correct?

MR. ROOS. No, sir, it is not correct. I did not say it is not a role. I said it is—we have very limited authority in terms of jurisdictional authority. We have a limited financial capacity due to the taxing limitations we have and I say that our role is essentially—must essentially be one of expressing opinions on these things, that we cannot assemble a sizable staff to go out into the field and to actually enforce—not enforce but force feed, if you will, integration into areas.

MR. GLICKSTEIN. Does the county go out into the field to force feed industry into the areas?

MR. ROOS. We have, just as we have a human relations commission, we have a county business and industrial development commission, but—and it has just about the same type of financial support as does the human relations commission.



MR. GLICKSTEIN. One person and about \$26,000?

MR. ROOS. I am not sure of the exact total but it is about that, yes.

MR. GLICKSTEIN. Does the county have the authority to promote industrial development bonds?

MR. ROOS. The county does not—it did not; it was proposed but it did not and we have actually, as a county administration, opposed industrial development—the use of tax free industrial developments as incentives—as an incentive to bring industry into our county because we have been quite successful in getting it otherwise.

MR. GLICKSTEIN. And when was your fair housing law passed?

MR. ROOS. Our fair housing law—wait a minute, I have that right here—I believe it was in 1964, sir, if you will excuse me one moment, I have a record of it right here. 1968, excuse me.

MR. GLICKSTEIN. Do you know which month?

MR. ROOS. July 1968.

MR. GLICKSTEIN. That was after the passage of the Federal act in April 1968?

MR. ROOS. Yes, that is correct.

MR. GLICKSTEIN. Thank you, Mr. Chairman.

CHAIRMAN HESBURGH. Gentlemen, you have been answering a lot of questions here and I think there is a question that lurks in the mind of a lot of people and maybe it's a statement more than a question but I think it's important for the total record.

That is why is this Commission constantly referring to integration as though somehow if you are not for integration you are unholy. And let's face it frontally. This Commission faces a national problem and the only reason we come into local situations, as I said on the first day, is not to pick on local people but to try to get some illumination on the problem and some answers to how it might be answered nationally.

The national problem as we see it is this: That unless there is really equality of opportunity for every American, America will never be what the Constitution says it should be in the Bill of Rights. The reason that America is not what it should be today, the reason that we have a lot of racial tension and we have a real racial problem nationally, is that in this—while we have cleaned up some areas of voting and some areas of public accommodation equality, when we really get down to the problem of this hardcore trilogy, if you will, of education, housing, employment and equal access to all of those three on the same quality basis, and the three being interconnected on a very close basis, unless we can somehow lick this on a local level, the tension is not only going to increase but it is going to get worse and worse and worse. We are going to wind up with two countries instead of one country as Mrs. Freeman has said eloquently on another occasion.

We are going to have a country of educated and a country of uneducated, a country of white and a country of black. We are

going to have a country of poorly housed and a country of well housed. We drove around the first day we got here and some of the housing I have seen in this city and county are the most magnificent housing I have seen in the world. But I have also seen some of the worst I have seen anywhere in the world. And that's the kind of country we have today.

Now, we are not ever going to get at that problem, I don't think, until somehow we, number one, all of us say: "It is a problem and it is our problem." And we are never going to get at it as long as everything we do seems to be reinforcing the situation as it is now. It reinforces the separation rather than try to get people in a little better human relationship to each other.

You simply can't expect the white community and the black community even to understand each other as persons, if they live separately, work separately, go to school separately, and do everything separately and the separation is not just separation but unequal separation where one is good and the other is bad. Bad housing, bad education, bad employment.

Now, what we are trying to get here and elsewhere in the country is some handle on this problem. And what frustrates us terribly—and I am sure you gentlemen, too, have to face the problem daily and the audience who lives with it—what really frustrates us is that nobody is responsible, nobody is doing anything bad, everybody is practicing virtue, and yet the problem gets worse and worse and worse.

The real estate people aren't doing anything to discriminate. The labor unions aren't doing anything to discriminate. The employers aren't doing anything to discriminate. The Government isn't doing anything to discriminate and yet the problem gets worse and worse and worse and more bound down into the perimeters which makes it so bad today.

All I am asking you gentlemen, is there any way you can see we can make a breakthrough on this problem? And believe me, it can't just be housing, it can't be just education, and it can't just be employment. It has to be all three. Because if you live in a bad neighborhood, you are going to go to a bad school and you will probably wind up with a bad job because that is all you are prepared for.

Unless, somehow, we can break through this locally where it exists in cities and in local communities and counties, municipalities, large and small, we are just going to get nowhere. We are just going to sit here and kid each other that somehow we are all concerned about the problem and we are doing nothing to continue the problem and that somehow we are all practicing virtue and yet the problem gets worse and worse and the country will get worse and worse.

Now, my question after that really long windup which has been building up in me after I listened to everybody else around here talk,

is just one simple question. Can either of you see any way of breakthrough from where you sit? Go ahead, Mr. Roos.

Mr. Roos. Father, I would agree with you, your reference to the fact that human relations is a big factor in this problem. I would disagree with you that an objective analysis of what has happened in race relations in this country would indicate that the causes of tension are getting worse and worse and worse.

I think—whether this would have happened without the violence that occurred a few years ago, I am not prepared to say. Maybe it took that. I am convinced that the attention of the leadership and the people of St. Louis County, as a traditionally predominantly white suburban county, is directed much more than it was 10, 15 years ago toward the solution of this problem.

I am convinced that the development of housing is progressing. That a tremendous effort is being made with the best of will by the leaders of industry to provide jobs. That the people of our county—the white people—are prepared to accept things that might have been horrendous to them 15 or 20 years ago. What worries me most about this problem, is that the understandable impatience—I repeat understandable impatience—of the black community and of the militant segment of the black community is such that it is creating, and I sense it every day of the week on the part of friends of mine, who traditionally and genuinely are liberal in their point of view toward this thing, but the prod, prod, prod, the more than prod, the push and the irresponsible: “You’re a racist if you disagree with me in any way at all.” That attitude is creating a reaction in our community that I fear unless there is a reaffirmation on the part of the black community that it will sit down with the leadership of the white community and attempt to work in a responsible way. And this is not said critically of the black community, I can understand their reason for this.

If this terrible impatient and frequently insulting prodding does not taper off, then I envision and I hope more than anything I can say, because I think our national future is involved in this, I hope it doesn’t come about but if this continues then we are going to have a reaction on the part of the white community and the people even who have lots of good will in their hearts are going to say: “The hell with it. These people are unwilling to work with us” and this is purely a small segment, as I see it, of the community.

This is the real danger. I would urge your Commission, in addition to trying to seek the solution of the problems, that certainly unfairly militate against the progress of the blacks in this country, also emphasize the importance of remembering that the majority of the black community, the majority of the black community’s housing, the black community’s job opportunity today, is still, even though it is far less than it should be, is relatively much superior to what poor communities are elsewhere in the world. I don’t excuse

the existence of these conditions by saying it, but let's not cause a violent reaction on the part of the white community. An emotional reaction which will in frustration say: "Look I'm tired, every day of my life, of having people tell me I am a racist when I work, work, work for the improvement of these conditions." I would hope that you would include in your conclusions, a recommendation for everybody to attempt to solve these problems without throwing out all of the good that has been accomplished and it's significant good, and all the progress that has been accomplished and it's significant progress along with the objectives of seeking the ideal goals that we all seek.

CHAIRMAN HESBURGH. Well, I think I have to say, Mr. Roos, that after 400 years, as you said yourself, of understandable impatience, because you sit down and look at these statistics we looked at at the beginning of this hearing of the actual population and housing statistics, the employment statistics, the opportunity statistics and we haven't even touched the school situation.

All I can say is that the progress we have made is, on a scale of 100, about one-tenth of 1 percent and that's pretty damn poor after all of these years. We have got to get moving much quicker.

MR. ROOS. But, Father, hasn't that one-tenth of 1 percent been made in the last one-tenth of 1 percent of the years involved? Isn't it moving?

CHAIRMAN HESBURGH. Surely, I agree to that. But I think it has happened because people have begun to get impatient. As long as people were patient, nothing happened.

Now, I grant you, it's tough to live with impatience but I think there is something about the core of all of us, I am speaking as a white man here. The black man always has to accommodate to us. He has to be patient so we don't get impatient. I think the black man has been pretty patient for 400 years. I think the problem might go much faster if everybody, today, in this room and especially the white people, would say: "This is my problem and I am going to start getting impatient about it. With my associates and with whatever leverage I have in my business and my community, in my profession or anything else." I think we are about at that point now and I do hope, for the sake of progress and the sake of peace in this community, we get on with it.

MR. ROOS. May I, Mr. Chairman, and then I'll hush up—

CHAIRMAN HESBURGH. Surely.

MR. ROOS. May I just say that reporting for one community, the community of St. Louis County, I believe that the industrial leadership, I believe that the churches and I believe that the white people of St. Louis County are knowledgeable of the problem, are concerned about the problem, are trying to do something about the problem but are at a very tender point of where they are losing their cool, because they aren't being given the opportunity to dem-

onstrate a real desire to get these problems solved. I say this with complete sincerity, this is what worries me more than anything.

CHAIRMAN HESBURGH. Well, you put your finger on the nub of the problem, Mr. Roos, because if we get impatience on both sides, then we are going nowhere. But let's not be impatient with each other; I think we have got to be impatient about the problem.

I promised to give Dean Horn 2 minutes and then we have to adjourn for 5 minutes.

VICE CHAIRMAN HORN. There isn't really much I can add to that except to underscore a point that was made earlier by Mr. Schneider and object to it. And Mrs. Freeman's analogy was a good one.

The statement was that you cannot legislate people. I completely disagree with that. I don't think this country asks that everybody love each other in both material and nonmaterial aspects. What we do ask is a society of men and women, human beings, under law, is that the best in our society be brought out. That the rules of the game become agreed upon and that we not, through a lack of political leadership or a lack of moral leadership, which I think is the essence of a political leader, fail to take on the lackadaisical, the bigots, whatever they are, wherever they exist and even if we have to lose a few elections, come up and put the issue to the best in people.

Many people said we could never pass civil rights laws in the United States Senate because we had a filibuster rule that two-thirds could throw them out. We passed them and they were passed because the white community in the Midwest, if you will, helped deliver the votes through the decent people of this section of the country, organizing and telling their Senators: "Look, we might not have cared before but we care now." And I think it is very important that we don't just pass the paper from the in-box to the out-box and we don't just say: "Oh well, you can't change people's minds." You can change them. People can now get in motels where they couldn't get in motels before, and I don't care if the owner doesn't like the fact that people are sleeping in motels where they didn't sleep before, they are sleeping there and that's what counts. And people's attitudes do change when they see the rules of the game applied to everybody equally.

CHAIRMAN HESBURGH. Thank you, Dean Horn.

We don't even want cheers. We want this to be on a common, calm, level attitude. What we want to say really, is that it has been a good conversation. We have been enlightened and we hope that you have been enlightened. We hope the community has been enlightened.

Now, we recess 5 minutes to rest.

CHAIRMAN HESBURGH. We would like to call our next witness, Mr. Herman Davis, resident of Olivette. Mr. Davis, would you please come to the stand? Mr. Davis will be questioned by Mr. Bradley.

(Whereupon, Mr. Herman Davis was sworn by the Chairman and testified as follows:)

TESTIMONY OF MR. HERMAN DAVIS, OLIVETTE, MISSOURI

MR. BRADLEY. Mr. Davis, would you state your name and address?

MR. DAVIS. Herman Davis, 9519 Geitz.

MR. BRADLEY. And what is your occupation?

MR. DAVIS. I am a price marker repairman for the Garby Corporation.

MR. BRADLEY. In what part of the city of Olivette is Geitz Avenue?

MR. DAVIS. It's in the northern section of Olivette.

MR. BRADLEY. How many children do you have?

MR. DAVIS. Eight.

MR. BRADLEY. And how many of your children have attended college?

MR. DAVIS. Three.

MR. BRADLEY. How long has your family lived at its present location? In the area?

MR. DAVIS. For 25 years.

MR. BRADLEY. When did you purchase your home?

MR. DAVIS. 1945.

MR. BRADLEY. Was the area where you now live always a part of the city of Olivette?

MR. DAVIS. No.

MR. BRADLEY. What was it previously a part of?

MR. DAVIS. It was part of Elmwood.

MR. BRADLEY. When was it annexed?

MR. DAVIS. 1949.

MR. BRADLEY. How did you learn that the area in which you lived had been annexed by the city of Olivette?

MR. DAVIS. Well, I didn't learn of it until 1955. You want me to go into details?

MR. BRADLEY. Yes. Would you please. Just briefly describe how you learned it.

MR. DAVIS. Well, 1955, one of my neighbors was at one of the feed stores on Olive Street Road and he was told that the area that he lived in and the neighbors also was annexed by Olivette and the property was being auctioned for sale for back taxes, and we had no idea that we lived in Olivette at this time. And so he began to spread the word around that we were no longer on our property because we owed back taxes to the city of Olivette.

So, I called the city hall and asked was this true and the lady that answered the phone asked me my name and my address and I told her where I lived and she said: "Yes, you do live in Olivette

and your property is up for auction." So, I asked her: "How would I go about doing this to eliminate my property from being sold?" She told me, I would have to come to the city hall and pay my back taxes and I asked her was there a deadline and she said, yes, of this particular week, Saturday noon would be the deadline. That I would have to be there before Saturday to pay my back taxes.

That Saturday, about 10:30, I went to the city hall to pay my taxes and the auction was already in session. She told me I would have to wait until the officials come back into the city hall and talk with them because she had no authority to take my money for the taxes.

I guess about a half an hour or so later, the auction was being held in the back of the city hall, they came back in the city hall about a half an hour or so later and I stated my purpose there and she told me that she was sorry but my property had been sold. The only way I could get it, I would have to redeem it in 2 years or maybe I would have to go through some other legal terms unless I would talk to the gentleman who bought my property and make some deal with him.

She pointed the gentleman out to me that had bought my property and I went to him and started talking to him. I told him I understand that you bought my property. So he said: "What is your name?" So I told him "Herman Davis." And he said: "Yes, I bought your property. I just paid \$150 for it." So I said: "\$150 for my six lots and house?" He said: "You live there?" I said: "Yeh." He said: "People live on this land?" I said: "Yes, we have quite a few people live there." So he said: "We were under the impression that this was undeveloped land, that nobody lived there." Then he said: "I want no part of this." He asked the lady, he said: "Give me my check back and let this man have his land." So that was what was done. She gave him his check back and I paid my taxes, which was 5-years' taxes that I owed and that's how I got my land.

MR. BRADLEY. Mr. Davis, could you tell us when urban renewal was first posed for the north Olivette area?

MR. DAVIS. 1960, as far as I know. That's when I became aware of it.

MR. BRADLEY. Were the residents of your area consulted about the urban renewal project plan for the area and the plans for the relocation?

MR. DAVIS. In 1960, yes.

MR. BRADLEY. How were you consulted? What took place?

MR. DAVIS. I think we were sent notices to be at the city hall a certain night, that there would be a talk on urban renewal in that particular area.

MR. BRADLEY. Approximately how many residents were there in

the urban renewal project area when the project was first suggested in 1960?

MR. DAVIS. It was close to 30 families at that particular time.

MR. BRADLEY. And approximately how many people would you estimate?

MR. DAVIS. Well, I would say approximately 150, 100 to 150.

MR. BRADLEY. And could you tell us what the racial composition of the area was?

MR. DAVIS. Predominantly all-black except one family.

MR. BRADLEY. And could you tell me how many people live in this area today?

MR. DAVIS. How many?

MR. BRADLEY. Yes. How many families or individuals?

MR. DAVIS. Oh, I would say five to six families are left.

MR. BRADLEY. And are these families more than one person in the family or most of them just individual persons?

MR. DAVIS. Well, most of them are individual. I am the only family that have children that are left.

MR. BRADLEY. What has happened to the former residents?

MR. DAVIS. Well, they moved to various places.

MR. BRADLEY. When did most of them leave?

MR. DAVIS. Well, I would say the majority of them left within the last 2 years.

MR. BRADLEY. Could you tell us where they moved?

MR. DAVIS. Well, oh, various places. Wellston, University City, St. Louis city.

MR. BRADLEY. Are these areas predominantly black where the former residents have moved to?

MR. DAVIS. Where they moved to, yes, it is predominantly black.

MR. BRADLEY. Did the city of Olivette offer to provide the residents with new housing in the urban renewal area?

MR. DAVIS. Had they offered to?

MR. BRADLEY. Yes.

MR. DAVIS. That is supposed to be in the plans. As of yet, there is no housing provided for us yet.

MR. BRADLEY. Do you know why?

MR. DAVIS. No, I don't, exactly.

MR. BRADLEY. Could you tell us how your son gets to school in the morning to catch the school bus?

MR. DAVIS. He has to walk about a mile one way to catch the bus.

MR. BRADLEY. What school does he go to, by the way?

MR. DAVIS. Horton Watkins High.

MR. BRADLEY. In which school district is that?

MR. DAVIS. Ladue.

MR. BRADLEY. Does the bus come closer to your house than where your son catches it?



MR. DAVIS. Yes, I believe it does in the subdivision but he can't go through that way.

MR. BRADLEY. What subdivision is that?

MR. DAVIS. Indian Meadows.

MR. BRADLEY. And why can't he catch the bus in Indian Meadows?

MR. DAVIS. He has no way to get through there. There is no street and there is also a fence that he would have to climb over if he wanted to go through Indian Meadows.

MR. BRADLEY. Mr. Davis, we have a few pictures here, I wonder if you could identify for us and just very briefly describe what the pictures are.

MR. DAVIS. That's my house.

MR. BRADLEY. Next one?

MR. DAVIS. That's one of the existing houses—a neighbor, Mrs. McCoy, she lives there.

MR. BRADLEY. She still lives there?

MR. DAVIS. Yes. She still lives there.

MR. BRADLEY. Approximately how old is she?

MR. DAVIS. I would say she's in her early sixties, I would say.

MR. BRADLEY. Next picture.

MR. DAVIS. That is where a house was. It's been burned down now.

MR. BRADLEY. Could you tell us what is in the background of the picture?

MR. DAVIS. That is Indian Meadows subdivision in the background. New houses that is being put up there.

MR. BRADLEY. Next one.

MR. DAVIS. That's the fence that divides Indian Meadows subdivision from the area that I live in.

MR. BRADLEY. Could you describe the fence just for the record? What's on top of the fence?

MR. DAVIS. Barbed wire.

MR. BRADLEY. Thank you. Mr. Chairman, I would like to introduce these pictures into the record.

CHAIRMAN HESBURGH. So ordered.

(Whereupon, the documents referred to were marked Exhibit No. 35 and received in evidence.)

MR. BRADLEY. Could you very briefly describe the conditions in the area today where you live?

MR. DAVIS. Brief: poor.

MR. BRADLEY. Is the area in better or worse condition than in 1960?

MR. DAVIS. Worse.

MR. BRADLEY. Do you think the city of Olivette will ever build the replacement housing that they had originally agreed to construct?

MR. DAVIS. That I don't know. I hope so, but so far it doesn't look like it, so far.

MR. BRADLEY. Do you know what their original idea was to do

with this urban renewal area? How they planned to develop the area?

MR. DAVIS. The original?

MR. BRADLEY. Yes. What was the original proposal?

MR. DAVIS. I think the original proposal was to make the area industrial.

MR. BRADLEY. In your opinion, was there available land in Olivette where the residents of the urban renewal area could have been moved?

MR. DAVIS. Yes.

MR. BRADLEY. Do you know why this wasn't done? Do you have any ideas what, in your opinion, was the reason this was not done?

MR. DAVIS. Well, it could have been various reasons. An economical one, possibly, and other reasons that possibly that I guess they wanted to keep this out of the other part of the area.

MR. BRADLEY. Mr. Davis, do you want to remain in Olivette?

MR. DAVIS. Yes, I do.

MR. BRADLEY. Why?

MR. DAVIS. Well, for one reason, it is close to where I work. I like the Ladue School District and it is centrally located close to everything. That's one reason I want to stay there. The main reason I want to stay there is because I think so many things has been done since the area was annexed to get rid of us out of this area, which is prime land, that I am determined to stay there. Because so much effort was put forth, legal and otherwise, to own this land and move us out of this area.

MR. BRADLEY. I have no further questions.

CHAIRMAN HESBURGH. Do any of the Commissioners have questions?

COMMISSIONER MITCHELL. Could I just ask one? Where on that map, Mr. Davis, do you live?

MR. DAVIS. Right alongside the railroad tracks, right in the north part of the area, right in here.

COMMISSIONER MITCHELL. Where is the fence that separates you from the development, Indian Meadows?

MR. DAVIS. The fence would be south of the area here along Indian Meadows, which is supposed to be a private park here.

COMMISSIONER MITCHELL. Thank you.

CHAIRMAN HESBURGH. I have only one question, Mr. Davis. Once you paid your 5 years' taxes, and I assume you have been paying taxes since then, do you notice any special services you were getting because of the taxes you were paying?

MR. DAVIS. Special services?

CHAIRMAN HESBURGH. Anything you didn't get before like picking up garbage or refuse or sewerage or police protection or street lighting or anything else?

MR. DAVIS. At one time I got fairly decent service of garbage collecting but here in the last year, I haven't. I haven't had a collection now in about 6 or 8 weeks.

VICE CHAIRMAN HORN. May I ask one? Are any used cars dumped in your area? We heard testimony yesterday about the dumping of used cars in some of these cities. People just abandon them.

MR. DAVIS. It was, yes.

VICE CHAIRMAN HORN. Does that still go on in your area or does the city pick them up and remove them?

MR. DAVIS. No.

VICE CHAIRMAN HORN. In other words, people come and abandon their cars and just leave them there?

MR. DAVIS. Just leave them there. Some of them have been taken away but the city didn't do that. A man that is in the junking business.

VICE CHAIRMAN HORN. I think—I don't know if I will still be here then but we might well ask the city officials and others what their laws are and why they aren't enforcing them in this respect.

CHAIRMAN HESBURGH. Thank you very much, Mr. Davis. Excuse me. Mr. Glickstein, did you have any questions?

MR. GLICKSTEIN. No, sir.

CHAIRMAN HESBURGH. Thank you very much, Mr. Davis.

The next witnesses we have is a panel from the Olivette Urban Renewal Officials, Mr. Vernon Boxwell, city manager of Olivette; Mr. Milton Lief, chairman of Olivette Land Clearance and Redevelopment Authority; and Mr. Michael Farris, Urban Programming Corporation. Will you gentlemen please come forward?

(Whereupon, Mr. Vernon Boxell, Mr. Milton Lief, and Mr. Michael Farris were sworn by the Chairman and testified as follows:)

**TESTIMONY OF MR. VERNON BOXELL, CITY MANAGER, OLIVETTE, MISSOURI; MR. MILTON LIEF, CHAIRMAN, OLIVETTE LAND CLEARANCE AND REDEVELOPMENT AUTHORITY, OLIVETTE, MISSOURI; AND MR. MICHAEL L. FARRIS, URBAN PROGRAMMING CORPORATION, BRENTWOOD, MISSOURI.**

MR. BRADLEY. Would you each state your name and address and occupation for the record?

MR. BOXELL. I am Vernon Boxell, city manager of Olivette and I live at 11 Carter Court, Olivette, Missouri.

MR. LIEF. I am Milton Lief, head of the Land Clearance for Redevelopment Authority. I live at 9 Char-Bea Lane. I am a professional engineer, self-employed.

MR. FARRIS. My name is Michael Farris and my business address is 1921 South Brentwood Boulevard, city of Brentwood.

MR. BRADLEY. I am going to address a few questions to each of you gentlemen, but if one of the other feels something should be added, feel free to add anything you would like.

MR. LIEF, could you tell us why the city decided to annex the urban renewal area?

MR. LIEF. The annexation was made prior to the formation of a

redevelopment area. It was done because of natural boundaries, because the lines of the city were to be straightened out and made part of a natural boundary system.

MR. BRADLEY. Would you very briefly describe the economic level of the inhabitants of Olivette?

MR. LIEF. I would say that in the majority, it's middle-income bracket. There are some low and there are some very high-incomes on either side.

MR. BRADLEY. What is the total population?

MR. LIEF. Approximately 10,000.

MR. BRADLEY. And, approximately, how many black persons live in Olivette outside the urban renewal area?

MR. LIEF. I am guessing. Maybe the city manager can enlighten me—I would say maybe four or five or six families. Am I right?

MR. BOXELL. At the present time, I would say probably somewhere between 12 and 15.

MR. BRADLEY. Mr. Lief, in 1965, did you tell the residents of the urban renewal area that housing would be built without the need to relocate those persons that were living on the land?

MR. LIEF. As part of what kind of a hearing?

MR. BRADLEY. As part of a public hearing held by the city council of Olivette.

MR. LIEF. The city council or the land clearance authority?

MR. BRADLEY. I believe it was before the city council of Olivette on land clearance for redevelopment.

MR. LIEF. Again, the overall plan was, in the original plan in its initial planning stages and since, has included housing for the relocation of the residents in the project area.

MR. BRADLEY. And they were told that they would not have to move. That the housing would be provided before anyone would move, is that correct?

MR. LIEF. No. It was part of the plan on a planned kind of environmental shift that certain portions of the project would be in execution prior to the latter portion so that we could develop the housing, move the people into that area, and then develop the second group of housing. It was a planned, timed program so that everyone could, who wanted to remain in the project area, could have housing, yes.

MR. BRADLEY. Did the city propose to the Department of Housing and Urban Development that residents of the urban renewal area be relocated to Elmwood Park?

MR. LIEF. Ask that question again, please.

MR. BRADLEY. Did the city propose to the Department of Housing and Urban Development that residents of the urban renewal area be relocated to Elmwood Park?

MR. LIEF. Elmwood Park, Olivette, or Elmwood Park, county?

MR. BRADLEY. Elmwood Park, the unincorporated area of the county?

MR. LIEF. To the best of our knowledge, and I am just going from memory, was the fact that we had to stay within the guidelines of HUD which said we had to relocate the people within our own project area. Within the city limits actually.

MR. BRADLEY. Right. But that came sometime after 1962, didn't it? Was the original proposal to relocate in Elmwood Park?

MR. LIEF. No. This was a proposal that we tried to get HUD to agree to. That there was an environmental problem here just separated by the railroad tracks of two boundaries. One in an unincorporated area and one an incorporated area. And since this is one gross area with the same problems, it was my personal recommendation that HUD should look favorably on this kind of an environmental deal so that we could, since the county project was going along faster than ours, and earlier—we had other problems to solve—that we could use that kind of a facility for moving the people into that area.

This was turned down, of course, because of the guidelines of HUD which did not allow it.

MR. BRADLEY. What did the city plan to do with the people that lived in that area and were relocated in Indian Meadows? What was the original proposal for the land that was being cleared?

MR. LIEF. In Indian Meadows?

MR. BRADLEY. I am sorry. If the people were moved into Elmwood Park, what was the proposal for the use of the land in the urban renewal area?

MR. LIEF. Again, if they were to go into Elmwood Park unincorporated, it would only be for the temporary period. That the housing could be provided on the Olivette side and they could come back. But this was never given any sanction to. This was just a proposal of the authority and mine, trying to get an equitable solution to the total problem.

MR. BRADLEY. Mr. Lief, could you tell us how many of the residents of the renewal area relocated in Olivette?

MR. LIEF. I think our executive director can—

MR. FARRIS. I think there were two.

MR. BRADLEY. Two families?

MR. FARRIS. No—yes. No, there has been a family and an individual. They are related.

MR. BRADLEY. And how many relocated in Elmwood Park?

MR. FARRIS. Well, for purposes of people who formerly resided in the urban renewal area, I believe that there have been, to my knowledge, two families which have relocated in Elmwood Park. However, both of these families relocated prior to the beginning of the execution activities of the urban renewal program, that is, before it actually started.

MR. BRADLEY. Do you know where everyone that once lived in the renewal area now lives?

MR. FARRIS. Yes.

MR. BRADLEY. And could you describe the racial composition of the areas where these people live?

MR. FARRIS. Well, for the most part—I have some information, may I refer to that?

MR. BRADLEY. Yes, please do.

MR. FARRIS. Well, if I may, I'll just run through the communities.

MR. BRADLEY. Could you just briefly summarize?

MR. FARRIS. I don't want to overgeneralize because I don't think it presents an accurate picture if I overgeneralize.

MR. BRADLEY. Right. Perhaps we can introduce the statement into the record so we will have the —

MR. FARRIS. I will be glad to provide this at a later date if it's all right with the Commission.

MR. BRADLEY. That would be fine.

(The material referred to is contained in Exhibits No. 46 and 47.)

MR. FARRIS. Fine. We have a family which moved to Wentzville. We have another family which has moved into Pagedale. We have one which moved into the city of St. Louis into inadequate housing and they were so notified of that. We have an individual which moved into Wellston. Another individual moved into the city of St. Louis. We have a family which moved to Wellston. Another family which moved to Richmond Heights. We have an individual which moved into the city of St. Louis. We have a family which moved to Olivette. We have an individual which moved to Wellston. We have an individual which moved into Olivette and remained in Olivette. Another family which moved to University City. Another family which moved to Wellston. An individual which moved to Maplewood. We have a family which moved to University City and then we had one family which is counted in our records as having been relocated, which moved to Elmwood Park. I indicated that there were two. Both of these moved prior to start of the urban renewal activity. However, for purposes of our relocation records, we can only count one of those families. These are taken off of our records as we supply them to the Federal Government.

Now I can't generalize, I can't overgeneralize except to say, of course, that Wellston, by and large, is now a Negro community. And also I think the people who moved into the city of St. Louis moved into black areas.

MR. BRADLEY. How many units of housing did your original proposal call for the city of Olivette?

MR. LIEF. Twenty-four units.

MR. BRADLEY. And does the city still plan to construct 24 units?

MR. LIEF. If necessary. The original plan calls for the original 10 and if that satisfies all the needs, they would abandon the program

at that point. If the other 14 were required, we would build the other 14.

MR. BRADLEY. What is this dependent upon?

MR. LIEF. The need. The relocation of the people within the project area desiring to stay in Olivette.

MR. BRADLEY. In other words, if there are people still in the urban renewal area and if they desire to move into this new housing, you have to provide housing?

MR. LIEF. That is right.

MR. BRADLEY. But if there are no persons in the urban renewal area, then you do not have to provide any housing and you do not plan to provide housing?

MR. LIEF. We still plan to have the initial 10 houses built. That is the R-1 portion of our plan. The R-2 is the question mark. Only if necessary. There has been some objections to this second group of housing. We did it only because of satisfying the need of the original planning stage of this project. We, too, don't feel it's the most desirable area and there are some objections, not serious, but some. And if it is not necessary, it will be better not to build those houses there.

MR. BRADLEY. Objections by whom?

MR. LIEF. By the individuals wanting to live there.

MR. BRADLEY. Mr. Farris, we understand that housing was not built because a stream in the area had to be relocated. Is that correct?

MR. FARRIS. That's correct. That has delayed it.

MR. BRADLEY. Since the housing can't be built in this area until a stream is moved, why wasn't housing found elsewhere in Olivette?

MR. FARRIS. Well, for a couple of reasons. The first reason is that there is economic reasons. Olivette is basically a fully developed community. It does have some tracts available, but these tracts are located in areas which the costs would be prohibitive to provide the necessary housing for low-income people. That is the basic problem with respect to why the housing would have to be placed within the urban renewal area because under the Federal program, we can control, to a certain extent, the price of the land that can be offered.

Now, it happens, not because we are attending a Commission hearing today, but that the land will be advertised for sale next week. The problem that has developed on this, we had hoped in the very beginning of this program, the beginning of carrying it out in 1967, that the housing could be provided very rapidly. But after discussions with the Federal Housing Administration's local insuring office and after reviewing the situation, it was found that we could not attract developers until the flooding condition was alleviated within the area. And, therefore, it necessitated the preparation of the plans for a storm water channel which recently has been—construction of which has just begun the last couple of months.

MR. BRADLEY. Approximately how much do you think the city

could obtain from the renewal land if it were sold for industrial uses?

MR. FARRIS. Well, we have, or will have, three tracts under our urban renewal plan which will be available for industrial purposes. A large tract of approximately 18 acres and a smaller tract which really is so small that it cannot be built on. It's really usable for someone next to it, adjacent to it. So we actually have about 18 acres of land.

Based upon appraisals, we have had two appraisals made of that property to determine what the reuse value would be. We are estimating that we will receive about \$0.45 a square foot for that land.

Now, again, as I mentioned, this land is being offered or will be offered this week and we won't know for another 30 days as to what types of proposals we will receive for them.

MR. BRADLEY. And there is no land available in Olivette that is selling at a price less than the one you just mentioned?

MR. FARRIS. For industrial purposes?

MR. BRADLEY. For any purposes.

MR. FARRIS. I couldn't say that I am familiar with that but I would imagine that there are residential areas that would sell for less, but I haven't investigated it.

MR. BRADLEY. Does the city plan to build housing for persons who have already left the area?

MR. LIEF. The 10 houses that are proposed on the original R-1 section, will be built. And they will be offered to first come, the people in the project area, and then whoever wants to settle in them thereafter.

The second 14 is a question mark.

MR. BRADLEY. Mr. Farris, before the urban renewal project, the relatively affluent suburb of Olivette had over 100 poor black persons, for which the city, by annexing, had obligated itself to provide municipal and social services. After urban renewal, they are nearly all gone and in their place, the city has a valuable piece of industrial property. Is this, in your opinion, a proper use of Federal funds?

MR. FARRIS. Well, I think you are reaching a conclusion and maybe it's not valid. You are concluding, I think, that people have been forced to leave the area directly. And this is not true. I would say this. We have to operate within a budget that has been approved by the Federal Government. And that budget states a certain period of time for which this project is supposed to take to be completed. As a part of meeting our obligation with respect to that budget, it's necessary that we undertake our activities as expeditiously as possible.

One of these activities is the acquisition of property. We attempted to delay as much as possible, the acquisition of improved property



within the area. We attempted to obtain property so that we could offer land for sale in order to construct new housing.

As we began to acquire property, we began to observe that there were many title defects in just about all of the property. Therefore, it was necessary—it has been necessary to take the majority of it through the courts in order to clear up the titles.

As a part of our activities in acquiring property, and because of the time delay due to the storm water channel, we had to begin to acquire property which was improved. Now the authority's policy with respect to property which is improved and once it acquires it, it is, we had a responsibility to provide housing to the people who live in that property within their financial means. We are unable to provide that housing within the city of Olivette. That's our responsibility. Therefore, the person who lives in the property becomes, in effect, a tenant of the authority. If it is an owner-occupant of the property, the authority will permit that person a 60-day rent free period. If it's a tenant, then the tenant would continue to pay the same rental that he had paid before or had stated had been paid before to the authority.

Now, I can see that when you get into a situation where you do not have relocation housing available and you acquire improved property and you put people into a situation where they have to pay rent that they may or may not have paid before, that this, in effect, could be an encouragement for them to relocate elsewhere.

But I do want to point this out. The authority did not and has not told anyone, with one exception, that they had to relocate from the area. The people who—which had—the places to which the people moved that I indicated previously, moved on their own volition.

Now, maybe that volition included the fact that they had to pay rent which they did not want to pay. So I don't think that the point that you are raising is necessarily valid. We have tried to be lenient or as lenient as we can be and we had not been audited recently by the Federal Government so I don't know how lenient we have been with respect to the collection of rents. As a matter of fact, the board has taken the policy of attempting to write off the bulk of the rents as hardship cases which, indeed, they are. I don't know if that answers your question or not.

MR. BRADLEY. Mr. Chairman, I have a letter——

COMMISSIONER MITCHELL. May I interrupt you for just a minute?

MR. BRADLEY. Yes.

COMMISSIONER MITCHELL. It doesn't really answer the question directly and I would like your answer to this question. Do you believe that the city of Olivette, in this project, has made a proper use of Federal funds?

MR. FARRIS. Yes. I feel that we have.

MR. LIEF. Can I answer that? From the environmental standpoint, from way back when, before there was even Federal housing, land

clearance authorities, and so forth, the city of Olivette was interested in cleaning up and improving this blighted area which is definitely blighted. There is no question about it. Maybe it is one of the worst I have ever seen in my life. We have worked diligently in that direction even before the advent of Federal funds, but the project is so gross in magnitude. The fact that you have the River Des Peres headwaters which start in this project area meandering through this entire area which, in itself, is a tremendous portion—a misproportion portion of a total site improvement which has been really one of the big drawbacks trying to salvage this area, make an improvement, not have the flooding situations, not having the mosquito situation, the health and environmental problems. All of these kind of things. Trying to improve for the people living there an area which we think is necessary for their better livelihood and well being. Now this is the intent. This was the original intent.

The city of Olivette was in no position to take on a project of this magnitude out of their own taxes. So they came to the Federal Government to try and help them in this project. And this has been going on for better than 10 years. One of the oldest urban renewal projects going and not going into execution until very recently.

COMMISSIONER MITCHELL. Mr. Lief, were you surprised at the fact that the majority of the black people left the area?

MR. LIEF. To a degree, yes. But, again, there is some natural attrition here. Many of these people were elderly and have passed away during this period. Some of them have moved. Some have gone on, once they got their money, on to other areas. Again, I think this is a natural and then, also, the delay in putting our program into execution. They were impatient and they wanted to get more progress.

MR. BRADLEY. Mr. Chairman, I have a letter here from T. I. Moppin, to Mr. Church, the Regional Director of HHFA, which is an analysis of the families who expressed a desire to remain in the area. This analysis was done on June 18, 1963, and shows that 23 families desired to remain in the area. I would like to have this introduced into the record.

CHAIRMAN HESBURGH. So ordered.

(Whereupon, the document referred to was marked Exhibit No. 36 and received in evidence.)

MR. LIEF. If I can comment, based on this letter, is the reason for the 24 houses that we were trying to provide. We originally had the 10 and when this inventory was taken, we saw the need for the additional housing and made provision in our plan, which was a revision, to make provision for them.

MR. BRADLEY. Mr. Farris, if housing is built, will most of the residents of the renewal area be able to afford to rent or to purchase the housing?

MR. FARRIS. That is the purpose of the housing to be built.

MR. BRADLEY. But will they be able to afford it on their own?

MR. FARRIS. It will not be built if they can't afford it. Single family housing will not be built if they can't afford it.

MR. BRADLEY. Did HUD require the city to take steps to help persons who couldn't afford to live in the housing?

MR. FARRIS. Yes.

MR. BRADLEY. What were those steps?

MR. LIEF. Can I answer that? Again, we had other restrictions put on to us and other obligations as our program progressed. We were the first, to my knowledge, authority that had to guarantee supplemental aid from the city. And the city did provide in their budget and it is provided in their budget today, to help supplement, and this was before the Federal Supplementation Program, to supplement those people needing aid to provide for their housing and rent.

MR. BRADLEY. And this would be paid out of city funds?

MR. LIEF. Yes, sir. In the budget.

MR. BRADLEY. What happens to these persons when the 5 years are up?

MR. LIEF. We don't know. We will have to meet that situation when that period arrives. But again, the only authority that the city could provide and they stayed within the guidelines of subsidy was this 5-year period.

MR. FARRIS. I would presume, Mr. Bradley, at the end of the 5-year period, and this is purely an assumption on my part, that the city officials would meet their responsibility and continue to provide supplement.

MR. BRADLEY. Mr. Farris—

MR. FARRIS. Although there is nothing in writing to that effect.

MR. BRADLEY. Why didn't the city of Olivette build public housing for these residents?

MR. FARRIS. Well, I am not a resident of Olivette. You heard from Supervisor Roos and Mr. Schneider previously. I think that probably one reason that Olivette has not embarked upon a low-rate public housing program is basically the same reason that other municipalities have not. That is that they have observed the situation with respect to the city of St. Louis and I think they are concerned about that. That impression that has been created.

MR. BRADLEY. In your opinion, was this opposition, in part, racially motivated?

MR. FARRIS. Well, I don't know if there was any organized opposition to it or not. I can't say whether there would be racial objections to it or not, frankly. I haven't talked to anybody. Mr. Lief may have some other information.

MR. LIEF. No. I would have to answer it was not racially motivated at all. In fact, I would say that the housing that was proposed was going to be in harmony with the surrounding area and to make this

integration as easy and as equitable as possible, under the circumstances, and public housing as such, in that area in this smaller project would be wrong in my opinion.

MR. BRADLEY. Mr. Boxell, does Olivette provide the same municipal services to the urban renewal area as to the rest of the city?

MR. BOXELL. Yes, we do.

MR. BRADLEY. Mr. Davis stated that he does not get garbage removal service. Could you tell us why his garbage hasn't been collected?

MR. BOXELL. It seems that Mr. Davis stated that for the past year, to a certain extent, our pickup of garbage and trash has not been as good as has been in the past. Not only in his area but throughout the whole city. I want to point out that the city does not do this work themselves. It is done on a contract basis with a private hauler.

MR. BRADLEY. If the private hauler is not living up to its contract, why doesn't the city cancel the contract?

MR. BOXELL. For this simple reason. There are certain circumstances that cause you that you just can't go because the services for a period of time develops to the extent that it is not as good as it used to be. First of all, you try to work with the present contractor to see why the reason for this breakdown and try to have him cooperate a little better to improve the services that exist at the present time.

The other thing is, that you just can't cancel the contract and turn around the next day and have somebody else there to fulfill the contract or let's say, the duty, that we have assumed to pick up the refuse, due to the fact that legally, we have to ask for bids. Sometimes it's hard to get the bids. This is the business that not too many people enjoy to operate in.

The other things is you must always look at the economic side, what your budget calls for and how far are you allowed to go to make such an expenditure for such a service.

MR. BRADLEY. Has Mr. Davis written to you complaining about this failure?

MR. BOXELL. No, he hasn't written that I recall right offhand. He has called me, both him and his wife.

MR. BRADLEY. Has anyone written to you concerning the failure of Mr. Davis to get this garbage removed?

MR. FARRIS. May I interrupt a minute, Mr. Bradley?

MR. BRADLEY. Certainly.

MR. FARRIS. I don't know if since you have been in town, you have read the local afternoon newspaper recently. There was a—in the community news section, there was a quite lengthy article written about a council meeting out in Olivette this past week, with respect to the entire garbage situation in Olivette. The problems not only that Mr. Davis is having but apparently all the residents of Olivette are having.

MR. BOXELL. To answer your question, right at this time, my memory—I don't have a folder—we have a folder that's kept in regard to this matter, that we had any written correspondence from anybody in regard to Mr. Davis' situation but I can assure you I have quite an adequate file that built up—well, to quite an extent, I would say the last 6 months especially, of complaints, written and verbally, that are kept by the city from other areas of our community.

MR. BRADLEY. Mr. Boxell, I wonder if you would supply to us, at a later date, any letters that have been written to you regarding this situation.

(The information referred to is contained in Exhibit No. 56.)

Mr. Boxell, you heard Mr. Davis describe the fence between the Indian Meadows subdivision and renewal area. Who built it?

MR. BOXELL. Honestly, to give you an answer to this would be impossible for me. This was before my tenure of employment by the city of Olivette which has only been the last 7 years. This subdivision—the development—maybe Mr. Lief can—

MR. LIEF. The fence is around a private subdivision, was put up by the original developer as part of the requirements of that subdivision indenture to the city.

MR. BRADLEY. Do you know why it was built?

MR. LIEF. Why it was built?

MR. BRADLEY. Yes.

MR. LIEF. To separate the private subdivision from the creek. The creek meanders out through here and this was part of the requirements of the indenture.

MR. BRADLEY. And why was barbed wire put on top?

MR. LIEF. I don't know that.

MR. BRADLEY. Who owns the fence now?

MR. LIEF. The subdivision trustees, to the best of my knowledge.

MR. BRADLEY. Is part of it being torn down?

MR. FARRIS. Yes.

MR. BRADLEY. Who is tearing the fence down?

MR. FARRIS. We are.

MR. BRADLEY. Mr. Davis stated that the residents of the urban renewal area had been annexed for 5 years before they were aware of this. Mr. Boxell, could you explain how this happened?

MR. BOXELL. Sir, to my knowledge, again, as I say, this is before my tenure of employment in the city of Olivette. I would only state this. That I am sure, according to the State statutes in Missouri, that before annexation can be made, that there must be a period of announcing said in the proper channels, which most generally is a legal publication, and the notice of annexation will have to state the area that is going to be annexed plus a time set for a public hearing before annexation can take place. I am sure this was properly done.

MR. BRADLEY. I realize you were not city manager at that time.

Perhaps Mr. Lief could better answer that since I believe he was on the city council at the time.

MR. LIEF. To the best of my knowledge, all the requirements of government, of advertising and notification were done and again, having sat on the city council, having been there a number of times, I know that these things are done diligently. And why Mr. Davis did not know, for 5 years, is just completely beyond me. He surely got communications. He surely got tax bills. If they were put up for sale, there is a certain period of time and, again, we can check the record, but there must have been something wrong in the communications between either the city and him or he just didn't recognize these bills as they came in. But it was definitely advertised. Hearings were held. The regular routine that is required.

MR. BRADLEY. I believe Mr. Davis has stated that all 30 families had this happen. It was not just Mr. Davis, is that not correct?

MR. LIEF. To the best of our knowledge, this is not true.

MR. BOXELL. Mr. Bradley, I would like to just enlarge upon that a little. I cannot see how this could happen for a 5-year period. For your tax bills, right on your tax statement, it is sent out—prior to being annexed, it was a county tax bill. After the annexation, it was a tax bill rendered by the city of Olivette, and these are mailed out to every property owner in the city of Olivette. So I can't see how he could not distinguish between whether he was still in the county because as long as he was in the county, prior to these 5 years, he was not taxed by the city of Olivette.

So when he become under our tax control, he was rendered a bill the same as any other citizens of the city of Olivette.

MR. LIEF. Let me add this. These are being mailed out just as I get my own tax bill, and if the person cannot be located or reached, they go back to the city hall. These bills did not come back to the city hall, so he must have had them delivered.

MR. BRADLEY. I have no further questions.

CHAIRMAN HESBURGH. Do the other Commissioners have questions?

COMMISSIONER RUIZ. Yes.

CHAIRMAN HESBURGH. Mr. Ruiz?

COMMISSIONER RUIZ. It's rather obvious to me that the reasons persons were displaced was because the redevelopment agency did not, within a reasonable time, comply with the written guidelines to furnish comparable housing to these families.

It was stated that the delay was occasioned by defective titles, which necessitated lawsuits. It's clear that legally, the redevelopment agency could not have taken the title to the property owned by these displaced persons during this period of delay. It is fundamental that the displaced persons would not have become tenants of the redevelopment agency nor could the agency have collected rent.

Now, when these people moved away and you have their present

addresses in their portfolio, if there not be a legal obligation arising from these assumptions that I have made, there is presently a moral obligation in any respect, you have not built homes for them. What plans do you have to invite these people, and you know their present whereabouts, to get them back into that community?

MR. FARRIS. Well, I'll respond. Number one, the principal delay in providing the housing was not the condemnation action that was necessary in order to clear the titles. Maybe I forgot to insert this.

The principal delay was the correction of the flooding situation which prevails in the area. That was the principal reason.

COMMISSIONER RUIZ. You could not condemn until you had the money situation under control legally, could you?

MR. FARRIS. I beg your pardon?

COMMISSIONER RUIZ. You could not condemn properties until such time as you had the money situation in control and had the funds with which to condemn for purpose of locating—

CHAIRMAN HESBURGH. Mr. Ruiz, I think he said not money, but flooding.

COMMISSIONER RUIZ. Oh, I thought you said money. I am sorry, sir.

MR. FARRIS. That's all right.

COMMISSIONER RUIZ. Go ahead.

MR. FARRIS. Now, with respect to your conclusion. I would say that the agency does have the responsibility to recontact those individuals and families which have relocated and advise them that this housing will be available and when it is available. However, some of the people which have relocated have repurchased. I would imagine that those people, since they have invested in new property, would not be willing to relocate within Olivette. However, they will be recontacted to see if they are interested.

MR. LIEF. They would be given first choice in terms of return.

COMMISSIONER RUIZ. My inquiry went to the displacement at the time to other comparable housing even though it be rented as required by your law. That was not done.

MR. FARRIS. I am sorry. I missed the question.

COMMISSIONER RUIZ. Upon a condemnation situation, they are permitted to go into other housing even though it be rented while they are waiting, for purposes of purchasing, comparable housing.

MR. FARRIS. Yes. They have that option at any time to relocate. That is correct. Before the property is purchased, they may relocate. They would be entitled to assistances that are available under the housing act.

COMMISSIONER RUIZ. Very well.

MR. FARRIS. And we have made assistance to people who have moved prior to our acquiring property.

MR. LIEF. And we have relocated some people.

CHAIRMAN HESBURGH. Dr. Rankin?

COMMISSIONER RANKIN. Mr. Boxell, I have been a member of a city council for quite a few years and I recognize when you annex territory, they want water mains and sewer lines the next day and absolutely, it's an impossibility, of course. But here is a man who has been annexed for 5 years and didn't even recognize by the services that he was getting that he was inside the city. That's a little difficult for me to understand.

MR. BOXELL. Let me clarify one thing, sir. In this metropolitan area and especially in the area that is covered by the city of Olivette, the city does not provide sewer, water—this is done by the Metropolitan Sewer District for the sewer, both storm water and sanitary—the water is furnished by a private water company, known as the St. Louis County Water Company. So, you see in those areas, we have no jurisdiction at all.

COMMISSIONER RANKIN. Well, what does he get for his additional taxes he pays the city?

MR. BOXELL. He has the same services that are rendered the rest of the citizens of the community, such as fire, police, any administrative assistance that we can give him through my office, plus his garbage collection or trash collection and, naturally, being in the city of Olivette, he is also in the Ladue School District and that gives him the right to send his children to Ladue.

COMMISSIONER RANKIN. Just one other question growing out of this. Not having his garbage collected for 6 weeks, don't you run afoul of health laws in this area?

MR. BOXELL. Sir, I imagine this is true. We investigate these things. The service, naturally, especially in the last 3 weeks has been deplorable not only in the city of Olivette but throughout this whole metropolitan area. This has been due to, primary, two different things.

COMMISSIONER RANKIN. So, you characterize this as temporary?

MR. BOXELL. Oh, definitely. Now, there is two reasons for this breakdown, more so than prior to this time. During the course of the holidays, the amount of refuse that is gathered seems, for some reason or another, about triple what it normally is.

The second thing is, the people that furnish the service to us on a private contract, has the same right as everybody else. They have their holidays which have been granted to them plus during the period of these holidays and the past 3 weeks, the inclement weather has caused a great delay in furnishing the proper service.

MR. LIEF. May I add just for the record, that the services of Olivette are as high as any municipality in the area. In fact, they are higher. Take garbage collection, for instance. We have a collection three times a week from your back door and, again, I am just talking as another taxpayer, the service has been relatively good compared to other haulers.



There are circumstances beyond control—the inclement weather, the holidays happened to come on Thursday. Both days my garbage was not collected. If you have enough containers, they collected it up the next time. They even came around this past Sunday in collection because they missed the Saturday collection at my home.

Again, I am just showing that for record. The municipal services, the fire control which is maybe one of the lowest in the county in Olivette, takes care of this area. The police protection, better than usual. And, again, from a welfare standpoint, we have taken care of our own, each and every time. We have tried to help these people to the very best of our ability.

COMMISSIONER FREEMAN. Gentlemen, it was my understanding from Mr. Davis' testimony that the deficiencies in garbage and trash collection extended over a longer period of time than you have indicated. But you did say that you also had problems with this contractor and I wonder, is this a contract with the city of Olivette and if he is being paid during the time that he is not performing?

MR. BOXELL. He is paid to a certain extent this way. When he does not perform the services that are required, we have a clause for deduction, but as I have stated and I have stated this to Mr. Davis and to other citizens within the city of Olivette, when we make this deduction, naturally, the hauler does not get this, we do save some money. The amount isn't that great. Let me point out this. This is not our practice. We are not trying to save any money. Because when we deduct from him, we have not helped the individual at all. He still has his garbage and trash. So, by this penalty, which we do use, this is not the ultimate answer, I will admit, because the poor individual still has a problem on his hands.

COMMISSIONER FREEMAN. Well, do you think that maybe you can make some arrangements so that next week he won't still have it?

MR. BOXELL. Well, we certainly are. Right now, in fact, he was in the office Wednesday and sat down, because he was notified to appear in the office and discuss this matter with me, what was the reasons for such poor service. Is there anything we can do from the city's standpoint to aid him and so on and so forth. And at that time, the contractor said that by Monday, he would be in what he called good shape, pick up the areas that he has been missing, and get back on a regular schedule and the routes that had been laid out and we have used now, ever since I have been there in the city of Olivette.

Of course, we have done something further than this. As I said, it's the last 3 weeks, really, the service has been deplorable and complaints have been, well, enormous.

We started a survey in regard to this matter by sending out, about a week prior to the Christmas holiday, a quarterly report that we put out annually, and in this we had a survey that we sent out in

regard to the present existing trash and garbage service that we have for our city under this private hauler.

All I can say, is, that it was sent out for this reason. I, myself, personally, I know the members of my council were concerned about it and I know a lot of our citizens have. Because the response in this survey has been very, very good. Much greater than we had anticipated and much greater than any other kind that we have sent surveys out for different things that we would have liked to have the opinions of our own citizens.

So, from this, we are now compiling the results and I assure you that my council and my own feeling is that we are going to take another very good look into this present contract we have, from the results we find from this survey, and there is going to be some kind of action taken, probably calling for a new contract. The present contract expires in September 1970. I think there will be some action, maybe, taken in regard to this matter prior to the expiration of our existing contract.

COMMISSIONER FREEMAN. What is the population of the city of Olivette?

MR. BOXELL. I would roughly say now, in 1960, the census period, it was 8,257.

COMMISSIONER FREEMAN. How many black families live there?

MR. BOXELL. Pardon me?

COMMISSIONER FREEMAN. How many black families?

MR. BOXELL. Now?

COMMISSIONER FREEMAN. Now.

MR. BOXELL. Oh, I would say, let's see, there would be 15 and then we have in the Elmwood area, there would be about 18 families and five individuals, I would say at the present time.

COMMISSIONER FREEMAN. The situation now, then, points up one of the problems about which we have been concerned, because earlier, some years ago, there were 100 poor black families and this is the reason why the question to you, Mr. Farris, because you indicated in response to the question about the lack of housing for lower-income families, that you didn't want to follow the problems of the city of St. Louis. Yet those people were there and the city of Olivette accepted no responsibility for keeping them there.

Again, we would have to be concerned about the impact of such a program of people clearance or black people clearance or what appears to be, and I would like to know from either of you, what you would see that you could do. I assume you have the desire to do it, to assure there would not be this kind of running out or moving out of poor black families who happened to be where the city decided it wanted to have an industrial park?

MR. FARRIS. If we had to do it over again, is that what you are asking? Or where are we now?

COMMISSIONER FREEMAN. Well, you haven't finished it yet. Take both.

MR. FARRIS. Let's say that we had to do it over again and we had the assistance available today that were not available when this program first started. I am talking about the 235 Housing Program and I think there has been greater emphasis put on the Turnkey program, which is an approach which might be acceptable in Olivette and which is an approach which we will explore.

I think—you get into kind of a "damned if you do, damned if you don't" situation. Number one, Olivette I would call an upper-middle class community. The 1960 census indicated a median value for a home was around \$27,000 or \$28,000, as I recall.

Apartments rented in a range starting at \$125 or \$130. It's predominantly a developed community. You have a situation where an area was annexed. It happens to be the only slum area within the community. The community is concerned about redeveloping and renewing that area.

Now, the "damned if you do, damned if you don't" situation is this. That if you proceed with the program to rebuild housing within an all-black area, you are accused of creating another ghetto.

COMMISSIONER FREEMAN. Well, maybe, at this point I should ask a question. Suppose you let the people alone and haven't annexed it?

MR. FARRIS. If it had not been annexed?

COMMISSIONER FREEMAN. Yes. They were there.

MR. FARRIS. I would presume that it would have been part of the St. Louis County renewal program which took in that subdivision. You know, that's a presumption. The urban renewal area in Olivette is the same platted subdivision as the St. Louis County urban renewal project which is right across the railroad tracks.

COMMISSIONER FREEMAN. How has the public been benefited by this annexation if, as a result of the annexation, they are moved out?

MR. FARRIS. I don't know. You are asking me a question that I am not capable of answering.

COMMISSIONER FREEMAN. You see, these are the laws we have to deal with.

MR. FARRIS. I want to take the other part of the question. That if you are unable to—you see, under Federal law, we are responsible for documenting and showing that we can relocate the people to be displaced from the urban renewal program within the city of Olivette. The only way that this could be documented in this program was to provide a site or sites within the urban renewal area.

COMMISSIONER FREEMAN. Do you have a copy of that plan?

MR. FARRIS. I am sorry?

COMMISSIONER FREEMAN. Do you have a copy of that plan and do we have a copy?

MR. FARRIS. No, I don't have it with me but I will be glad to supply it. I don't believe I supplied that to you, did I, Mr. Bradley?

MR. BRADLEY. We don't have it here.

MR. FARRIS. Well, I don't have a copy of the plan with me. I will be glad to provide a copy.

COMMISSIONER FREEMAN. If you could file it with us.

MR. FARRIS. Yes. I will be glad to file a copy of it.

So that the other part of the "damned if you do, damned if you don't" is, that if you don't provide the housing within the area, then you are going to have to move people someplace else. So you are kind of caught in a cross deliver.

Now the only realistic approach that I can see to the situation under existing law, is the way it has been approached. I think a much better approach to it, a much better approach to it is to have a regional relocation program or a metropolitanwide relocation program. Have a central agency responsible for relocation areawide. I think you can provide better choice or opportunity to people under that approach and I think that you will not perpetuate a lot of the situations that are being perpetuated today.

COMMISSIONER FREEMAN. We are having two kinds of ghettos. You see, we have the socioeconomic and the racial ghetto, and this—you are talking about a community, upper middle class or whatever it is, it's money, that is still wanting to engage in a program but still not willing to accept another pocket of people who happen to be poor. And on this basis, the thing that troubles us, is that on this basis, there ought to be a criteria that the community would have to accept with respect to these people.

Because if it is not willing to bring poor people into their own community—if it wants to say that since all these houses are \$30,000 and up and so, therefore, they cannot live here, then they ought not to have an urban renewal program. You see, there is damage in social isolation as well as there is damage in racial isolation.

MR. FARRIS. I agree—I understand what you are saying. I don't know the answer. That is a problem and it's not a problem that is going to be easily resolved. I don't think it's a situation that is going to be resolved until someone comes up with a mechanism to make it profitable—make it profitable to house low-income people. It has to be as profitable or more profitable to house low-income people or moderate-income people as it is to build \$30,000 houses. And this is going to require substantial outlays of funds, probably from the Federal Government, and it is going to create, I would say, objections of socialism.

CHAIRMAN HESBURGH. There was a suggestion made earlier, at the beginning of this conference, that it be taken completely out of the profit. It is something we have to do and just do it and pay what

it costs to do it and don't look at it as a profitable endeavor. Yours is another suggestion, I suppose, equally viable.

MR. FARRIS. An approach to it, Father, is if you have a tract of land that is worth \$10,000 a lot, it's uneconomical to put a \$12,000 house on there. Somebody has to absorb that \$10,000 cost. You get somebody to absorb that and I think you can build a lot of low-cost housing.

CHAIRMAN HESBURGH. I think the problem that is bothering the Commission is, and this is not just your problem in Olivette, it's a problem across the country—

MR. FARRIS. It's true.

CHAIRMAN HESBURGH. In the name—

MR. FARRIS. I would say this, Father, there has been mechanisms through the various housing acts recently, which were quite encouraging and which may go far to eliminate some of the situations that have been created. They haven't been tested yet and it may be 10 years before they are tested.

CHAIRMAN HESBURGH. Well, our only problem is that while some of these areas are some of the things that we have suggested, we still run into this situation all over the country, especially in upper-income communities, where urban renewal is looked upon by the local black people, as Negro renewal. I mean it's just equated—

MR. FARRIS. I doubt if you can go into an area that's an urban renewal project that affects black people where they won't say that.

CHAIRMAN HESBURGH. That's right. This we get universally across the country, not just here. And somehow, we have got to get mechanisms, I think, to cure this situation because if the allegation is true, then we are really coming down very heavily on people simply because they are poor and aren't able to defend themselves and do get the impression they are being pushed around by a larger community that finds them obnoxious to look at or something. So there has to be a way of getting at this problem.

MR. FARRIS. Well, I might point out with respect to the Olivette program, that we've attempted through the written word, as well as through conversations with residents, to alleviate, to eliminate that aspect from their minds. We have tried to go to the other way. I was very idealistic when I started on this project 2 years ago. People have still moved. I don't know how you combat this idea.

CHAIRMAN HESBURGH. Well, only one last question, because we are 15 minutes over and we have to reconvene at 12.30, and it's already 12:05. We have to have lunch in between time.

So the one basic thing I want to ask is when is the relocation housing going to be ready?

MR. FARRIS. The land will be offered for sale this week. We are hopeful that we will have proposals for that land within 60 days and that we will be able to go through those proposals and see if we

can have a feasible project. If we cannot develop a feasible project then we will pursue various Federal assistance programs in order to subsidize the housing situation so that we can get it built. We are hopeful that we can get the thing started this summer.

CHAIRMAN HESBURGH. I see. Which would mean——

MR. FARRIS. Again, I ought to point out that we are just at the starting stage on it. Just at the starting stage.

CHAIRMAN HESBURGH. Well, I think a part of the total frustration, if I read the situation correctly——

MR. FARRIS. I am frustrated.

CHAIRMAN HESBURGH. Part of the total frustration of the project is that it's been going on for years and there is no housing and people are moving out in frustration and I would say that if I were an examiner for the Federal agencies, I would take a very dim view of the success of this project.

MR. FARRIS. Well, I think if you were an examiner for a Federal agency, you would have to look at all of the facts. I have tried to relay the facts. I think the reasonable reasons for the delay, and we are not happy with the delay. We wanted to get the housing built very quickly and we were unable to do so. As I just mentioned, I am frustrated by the fact that we haven't been able to do it. It's unfortunate but that's where the situation lies today.

CHAIRMAN HESBURGH. And the sad part is at the end of the whole line is 20 some families no longer there because they somehow felt they had to get out.

MR. FARRIS. That's correct.

CHAIRMAN HESBURGH. And that isn't very good social engineering. Dr. Mitchell, did you want to say something?

COMMISSIONER MITCHELL. Yes, Mr. Farris, what's the Urban Programming Corporation of America? Is that a corporation for profit?

MR. FARRIS. It is a private consulting firm. We were retained by the land clearance and redevelopment authority to operate the program.

COMMISSIONER MITCHELL. But you operated at a profit?

MR. FARRIS. That's correct.

COMMISSIONER MITCHELL. It's not a foundation or one of those things?

MR. FARRIS. Oh, no.

COMMISSIONER MITCHELL. Second of all, just for the record, when you get into this kind of annexation in a community like this and turn this land into industrial land, your assumption is that the industrial organizations that move in will, in some way, relieve the tax burden of the citizens in the community. Is that not so?

MR. FARRIS. Yes, there is a tax benefit.

COMMISSIONER MITCHELL. Is that the primary purpose?

MR. FARRIS. The primary purpose? No. The primary purpose is to devote the land to the highest and best use. Now, in this case——

COMMISSIONER MITCHELL. Now, isn't that another way of saying the same thing?

MR. FARRIS. It may be.

COMMISSIONER MITCHELL. And the highest and best use is not Negro removal?

MR. FARRIS. Well, in some areas, the highest and best use might be for residential purposes.

COMMISSIONER MITCHELL. Now, in this particular case. We are talking about Olivette now.

MR. FARRIS. I am sorry?

COMMISSIONER MITCHELL. We are talking about Olivette.

MR. FARRIS. Yes. Industrial purposes are the highest and best use for the land.

COMMISSIONER MITCHELL. And the industrial use of that land will contribute either to decline in the rising trend of taxes or to the—

MR. FARRIS. It will substantially increase the tax base of the community.

COMMISSIONER MITCHELL. That is correct. And I guess what I am really asking you is, to go back to an earlier question. For a community in which the median home is \$27,500, which means you have many homes which cost much more than that, as you have that cost less, in which you are talking about an upper, middle-income group, which I would assume to be a rich group, is this a proper use of Federal funds to help them to relieve their tax base, to minimize—

MR. FARRIS. I think you are confusing the purpose of the urban renewal program. There are two purposes of the urban renewal program.

The basic purpose is to remove slums and blighted areas. The second purpose is to redevelop the land that is made available.

COMMISSIONER MITCHELL. That is quite true. But let's assume that people of means faced with blight remove the blight at their own expense.

MR. FARRIS. That is a possibility, although I don't think that the Federal law is discriminatory to the economic ability of the community.

COMMISSIONER MITCHELL. I wouldn't want it to be discriminatory against upper middle class people.

MR. FARRIS. I wouldn't either. As a matter of fact, I think it is necessary for all communities to have the same opportunity.

COMMISSIONER MITCHELL. Why do you annex the slums so you have Federal funds to get rid of it?

MR. FARRIS. I beg your pardon?

COMMISSIONER MITCHELL. Why do you annex a slum and then you apply for Federal funds to get rid of it?

MR. FARRIS. You will have to ask the city the reason they annexed the area, I wasn't—

MR. LIEF. May I answer that in as short of a period as I can, because I can go in for hours on it.

COMMISSIONER MITCHELL. Please don't.

MR. LIEF. Actually, the original intent of the annexation, which was many, many years ago—we are talking 1949—was to take and straighten out the boundaries. The opposite community across the tracks, circumvented the annexation of that area. That is still in an unincorporated area. So that community did not assume an obligation as the city of Olivette did.

The primary purpose of fixing this urban renewal area—that was before the advent of renewal—was for health and environmental purposes. This is a very bad situation for the people living in the city of Olivette. And to improve that situation is the reason for straightening out that stream.

Now, while we are doing that, we have some secondary effects, to the salvaging of land which comes along with it, but this project could not be undertaken by the city of Olivette by itself, regardless of the tax base.

MR. FARRIS. I might also say, Mr. Mitchell, that the citizens of Olivette are financially contributing to the removal of slums in this area, because under the Federal program, there is a local share of money which is required and the city of Olivette is providing funds.

COMMISSIONER MITCHELL. Thank you.

CHAIRMAN HESBURGH. Gentlemen, we thank you for your presence. We take account of your testimony and thank you very much.

We will adjourn until 12:30.

(Whereupon, at 12:10 p.m., the hearing was recessed, to reconvene at 12:30 p.m., this same day.)

## SATURDAY AFTERNOON SESSION

JANUARY 17, 1970

CHAIRMAN HESBURGH. Ladies and gentlemen, the final meeting of the '69 U.S. Commission on Civil Rights will come to order.

We are first hearing, this afternoon, we have two witnesses, and the first is Mr. Jack D. Herrington, Assistant Regional Administrator for Renewal Assistance and Mr. H. Earl Rosamond, Assistant Regional Administrator for Program Coordination and Services, from HUD.

Would you gentlemen please take the stand and raise your right hands.

(Whereupon, Mr. Jack D. Herrington and Mr. H. Earl Rosamond were sworn by the Chairman and testified as follows:)



**TESTIMONY OF MR. JACK D. HERRINGTON, ASSISTANT REGIONAL ADMINISTRATOR FOR RENEWAL ASSISTANCE AND MR. H. EARL ROSAMOND, ASSISTANT REGIONAL ADMINISTRATOR FOR PROGRAM COORDINATION AND SERVICES, REGION V, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.**

CHAIRMAN HESBURGH. Mr. Bradley?

MR. BRADLEY. Would you each state your name and address and occupation for the record, please?

MR. HERRINGTON. I am Jack Herrington. I am the Assistant Regional Administrator for Renewal Assistance, out of the HUD office in Fort Worth, Texas.

MR. ROSAMOND. I am H. Earl Rosamond, Assistant Regional Administrator for Program Coordination and Services out of the HUD Region Office V, in Fort Worth.

MR. BRADLEY. I would like to address a few questions to Mr. Herrington first. I wonder if you could first tell us what States are included in the St. Louis regional area?

MR. HERRINGTON. I didn't understand the question.

MR. BRADLEY. What States are included in your Region?

MR. HERRINGTON. Oh, we have eight States. They are Texas, Louisiana, Oklahoma, Arkansas, Missouri, Kansas, Colorado, and New Mexico.

MR. BRADLEY. Could you tell us what caused the long delay in the Olivette Urban Renewal Program between the time planning began in '61 and its final funding in '67?

MR. HERRINGTON. Yes, sir. It principally was over the questions concerning relocation as related to the project.

MR. BRADLEY. What were the relocation problems?

MR. HERRINGTON. Well, with the approval of the initial application, we call a Survey and Planning Application, a special contract condition was established requiring that anyone that would be displaced as result of renewal action would have to be relocated within the political jurisdiction of Olivette. This created considerable planning problems. And this is what principally constituted the delay.

MR. BRADLEY. Were there other problems than planning?

MR. HERRINGTON. I am having to reach back into my memory on this, but I believe there were some problems also related to the adjustments in that drainage way or water system that was there that tied into the—well, the authority that deals with that. I can't think of the name—The Sewer District of St. Louis and I think this, too, created some difficulties.

MR. BRADLEY. Were there objections by the city of Olivette to building the housing in the renewal area? Was that at all a problem?

MR. HERRINGTON. Well, the question here began over trying to come up with a suitable relocation plan and there were proposals made to relocate the people outside of the political jurisdiction. They—to that extent, I don't recall whether this would constitute an objection or whether it was a sincere belief that this would be

in the better interest of the people. This, of course, is something that could be debated. But there was discussions along this line.

Then, there were a number of problems and discussions with regard to the relocation housing when—and the final mechanism that was worked out. But in the final instance, the city authority, council did approve the relocation housing or the provision for funds to support a rent supplement program for relocating the people.

MR. BRADLEY. Why hasn't the city built the houses that it agreed to build?

MR. HERRINGTON. Well, of course, you heard the testimony this morning and I would concur that the principal problem has been that of trying to get this water situation corrected there—the flood situation. Until that is corrected, it would be probably impossible to get housing built and even if it were possible, it would be a mistake, I think, to get it built, so this has been the principal delay.

MR. BRADLEY. When members of our staff visited your office in November of 1969, you expressed surprise at the fact that no houses had been constructed in the Olivette Urban Renewal Area. Why wasn't the Fort Worth office aware that the housing had not been built?

MR. HERRINGTON. I am not sure that I agree that I expressed surprise. I was not—obviously, I have a number of programs in our Region that I am responsible for and I can't keep constantly up-to-date on the developments of each, but I was not—the question that was raised with me at that point, was, as I recall, whether the land had been advertised for sale for the housing. And I was under the impression that this had been done and I later checked and discovered that it had not been. And, again, the reason for it was I assume the schedule of the water development had moved more rapidly than it had and that was the thing that caused a question in my mind.

MR. BRADLEY. Had you been requested by your Washington office to give close surveillance to the local land assistance program of the city of Olivette?

MR. HERRINGTON. Yes, sir.

MR. BRADLEY. Because of the low-income level and the advanced age of many of the residents of the urban renewal area, would not public housing have better met their needs?

MR. HERRINGTON. I think it would. Yes, sir.

MR. BRADLEY. Did you suggest this to the city of Olivette?

MR. HERRINGTON. We explored every possibility at the time we were developing this with the city of Olivette and the solution that was finally worked out seemed to be the only one that was acceptable to the community that was also acceptable to the Federal Government.

MR. BRADLEY. What was their response to the suggestion that public housing be built in Olivette?

MR. HERRINGTON. I don't recall that specifically. I don't recall any details on that specifically.

MR. BRADLEY. Why did your office approve a rent subsidy provision for the urban renewal residents of Olivette which made no provision for them after the end of 5 years?

MR. HERRINGTON. This was the policy of the Department developed in connection with the carrying out of relocation plans. Actually, in a situation such as this, the city is committing itself beyond the typical commitment that a city makes with regard to relocation, that is, actually funding out of its own funds, a rent supplement program, and this was before the Federal Government had programs that dealt with rent supplement.

It was simply a policy and mechanism that was used in several communities to assist in carrying out relocation where there were not housing authority established and no public housing available for this purpose.

MR. BRADLEY. Mr. Herrington, I would like to ask you a question that I asked Mr. Farris this morning. Before the urban renewal project, the relatively affluent suburb of Olivette had over 100 poor black persons for whom the city, by annexing their neighborhoods, had obligated itself to provide municipal and social services.

As a result of the urban renewal, they are now nearly all gone and in their place, the city has a valuable piece of industrial property. Is this, in your opinion, a proper use of Federal funds?

MR. HERRINGTON. Well, the first step I think we have to look at when we are talking about a Federal program of urban renewal, is our prime purpose for assistance and that is to eliminate slum and blighted conditions.

Now, I think—I don't know—I don't have the figures on the conditions within that area, but I think it would be a mistake for everyone to assume that the people living in this area were living in desirable living conditions before there was an urban renewal program established. The housing met all of their requirements of slum and blight under the laws of your State and under the Federal laws that would qualify it for urban renewal assistance.

So this is a prime reason why there was an urban renewal program. Now, once you establish the fact that there is a substandard condition that exists, the next thing to concern yourself with in an urban renewal program, is whether we can save the housing that's there through rehabilitation.

We had specialists that examined the situation with regard to housing in this case and it was concluded that these houses were beyond economic repair so you could not economically—it would be unfair. By that, I mean it would be unfair to encourage someone to fix a piece of property up and spend the money on it and when they got through, had less for their investment than they would have had through selling the property.

So, in view of this, the alternative was simply that of removal of the housing. Now, once this is done, then, and housing is removed, the area itself, as it's situated, an analysis of this by planners both private and public on our own staff, would concur in the fact that a better use for the land other than housing was light industry. And this was what the plan advocated and it was this type of development that changed it to light industry.

So, in answer to your question, yes, I think it is an appropriate use of Federal funds in this instance.

MR. BRADLEY. What benefit did the residents of the urban renewal area receive from this project?

MR. HERRINGTON. Well, at this point, their benefits, I am sure, have been very limited. There is no question that they have been. The fact that the housing has not developed as rapidly as was desired certainly has been a factor in this. But the residents who have moved out, I haven't seen the details of this, but the testimony this morning indicated that only one had moved into substandard housing, as I understood the testimony. Maybe I misunderstood it, but if they have moved into standard housing, then, certainly, their living situation has improved.

MR. BRADLEY. I believe the testimony was that one person that he specifically was aware of had moved into substandard housing. I don't believe he testified to the condition of the housing of the other residents.

MR. HERRINGTON. Well, my mistake then, on that. Once the housing is completed, the people's living conditions will be improved, those that move into it.

MR. BRADLEY. I wonder if I could ask Mr. Rosamond a few questions.

MR. ROSAMOND. Yes, sir.

MR. BRADLEY. A Commission staff report indicates that for all urban renewal programs in St. Louis County, the local urban renewal authorities proposed public housing in the city of St. Louis as the principal relocation resource for the largely black displaced family. Why has your office accepted such proposals?

MR. ROSAMOND. Of course, in the case of Olivette, this was not accepted. The policy that is set by the agency—the definition of—well, Section 105(c) of the housing act, says that before you can relocate these families, that they must be relocated into the—or that there be housing available for them that is safe, sanitary, and decent within their economic means. And it went on to define, in a metropolitan area, the distance in which they could be moved which was an hour and a half by bus, either way, or/and so much fare on the bus and so much traveling time.

This was the general policy of the Department and agency at that time, until just before Olivette when they established—more or less established a policy that families had to be relocated within

the corporate limits of a community in which renewal was taking place, unless permission had been received from the central office to do otherwise.

So, this was back in—most of these that you are referring to, I think Webster Groves and maybe some of the rest of them were—was under the older policy that was in effect at that time, that you could relocate families anywhere within the metropolitan area as long as it met the definition of traveling time and the cost of traveling. But we went even further in some of these instances, I say we did, we required the local renewal agency to make analysis of where the families lived and made a determination as to whether the housing that would be available would be closer to their place of work than where they were residing in an urban renewal area, whenever this took place.

MR. BRADLEY. Did I understand you correctly that in the Olivette situation, you were operating under new regulations?

MR. ROSAMOND. That's right.

MR. BRADLEY. You mentioned a section of the housing act. I wonder if you could comment on whether the testimony that you heard this morning indicated that Section 808 (e) (5) of the 1968 Civil Rights Act, which requires that HUD programs be administered in a manner to further fair housing, was carried out in this situation?

MR. ROSAMOND. I am not familiar with—that familiar with the situations here and I would hate to comment on it, not being more familiar than what I am.

MR. BRADLEY. I believe a staff member provided you with a copy of a staff report that was prepared by the Commission?

MR. ROSAMOND. Yes, sir.

MR. BRADLEY. In that staff report it was stated that there are separate housing markets for white and black families in the St. Louis area. In your opinion, is that correct?

MR. ROSAMOND. Well, there are separate housing markets in that you have—well, yes, generally speaking, because of the social and economic conditions of any area, there are separate housing markets.

MR. BRADLEY. I believe the paper was referring to separate housing markets in that there was one market for black persons and one market for white persons.

MR. ROSAMOND. I am not acquainted with it.

MR. BRADLEY. Mr. Chairman, I wonder if I could introduce into the record, a memo from Mr. Rosamond to G. A. Parker, Assistant Regional Administrator for Model Cities, dated May 16, 1969. This is a memo regarding relocation for model city residents, and in that memo he states and I quote:

Vacant housing exists in all parts of St. Louis city. The south end is not generally available to blacks. The north end is in a state of racial transition from white to black.

End of quote.

CHAIRMAN HESBURGH. So ordered.

(Whereupon, the document referred to was marked Exhibit No. 37 and received in evidence.)

MR. BRADLEY. Would you care to comment on that question in light of that memorandum?

MR. ROSAMOND. Well, of course, this memo was prepared by my relocation staff and my office is made up of the Relocation Division and the Planning Division and the Economic and Market Analysis Division and the Community Services Division. Particular in this case, my Economic and Market Analysis—Housing Market Analysis Division Relocation gets together on this type of thing and prepares a—well, I couldn't keep up with all of these functions myself, personally. So, some of my correspondence is prepared by my staff and if they prepared it, that's exactly right.

MR. BRADLEY. So you do agree with it?

MR. ROSAMOND. I agree with it, yes, sir.

MR. BRADLEY. Do you have responsibility for administering the program providing grants for comprehensive planning in the St. Louis Region?

MR. ROSAMOND. Yes, sir.

MR. BRADLEY. Do you require that such plans include provisions for eliminating the separate housing market?

MR. ROSAMOND. We don't—let me go back and review this a minute. The 701 Comprehensive Planning Program is administered by the Assistant Secretary for Metropolitan Development in the Department of Housing and Urban Development, did not provide for city participation beyond that of elected city officials and the Planning Commission members as might have been appointed by the mayor or in whatever way they were appointed.

Until June of last year, Assistant Secretary Jackson of Metropolitan Development did develop a new policy which does now require that we have—that we in turn, require of all planning agencies that participate in grants under the 701 program, have citizen participation that will assure adequate representation across the board in terms of the blacks, the labor unions and so on, and assure that plans developed would be more in accordance with the overall needs of the community rather than perhaps if it hadn't been done before on the basis it had been done before.

This policy is now in effect and to my knowledge, all of the planning agencies that have received funds to date, have exhibited—have either reorganized their commission and have developed new citizen participation which meets these requirements.

MR. BRADLEY. I don't believe that answered the question. The question was do you require that such plans include provisions for eliminating the separate housing market? I believe you said they include plans for citizen participation but I am asking you whether they include plans for eliminating the separate housing market.

MR. ROSAMOND. No. As I say, the closest it comes to this, is that we do now require citizen participation on an overall basis and, in turn, we would hope that they would develop this type of policy the Department of Housing and Urban Development does not require, in regard to your question.

MR. BRADLEY. Why not?

MR. ROSAMOND. Well, this I don't know. I mean I don't make the policy in that regard and I don't know why except to say that steps have been taken to assure this. Beyond that, I wouldn't be able to answer it.

COMMISSIONER FREEMAN. Mr. Rosamond, I wonder if I am understanding what you are saying. The question was, do you require the elimination of the dual market? You say that HUD does not require this.

MR. ROSAMOND. In regard to the 701 planning program. His question was in the planning agency doing planning, do we require that they plan to do away with the separate housing markets.

COMMISSIONER FREEMAN. I understood what your answer was, but I want to go back. This is a Federal agency that is charged by law with carrying out the Federal law.

The housing act of 1968, the enforcement is placed in the hands of HUD. Now, what you are saying is that HUD is not enforcing Federal law.

MR. ROSAMOND. No, ma'am, I did not say this.

COMMISSIONER FREEMAN. Well, what the result is because the dual market is that there is a market for black housing—there is a housing that is for black people, housing that is for white people. This is what Mr. Bradley is saying.

MR. ROSAMOND. I understand that.

COMMISSIONER FREEMAN. And if HUD does not accept any responsibility to eliminate it, how can it carry out its responsibilities under the housing act of 1968?

MR. ROSAMOND. HUD more than accepts its responsibilities in this regard. I know of no agency that has done more than HUD has done to try to correct this situation as fast as we can correct it.

The program that we were talking about was the planning 701 Comprehensive Planning Program. Now the 701 Comprehensive Planning Program up until June of this year, the work program of that, had to do with development of parks and playgrounds and a broad-range basis of the needs for water and sewer, the overall community needs over a long-range period and the program up until June of this year did not address itself to the problem of planning for housing as such. But in June of this year, we not only required that they—we required that they now do housing planning, particularly for the breakthrough program and in this requirement in regard to housing planning, there is this—this is very definitely stated in there in reference to what you say.

Subdivision regulations and controls are not a part of the 701 planning program. As a general rule, these are not developed under the 701 planning program although the broad outlines of such might be considered eligible, but in the past, they have not been.

But what I am trying to say is, up until June of this year, the program—the 701 Comprehensive Planning did not relate itself to the question which Mr. Bradley asked and which you are referring to. It has only been since June of this year that HUD has tried to make it relate more to this question and is trying to do something about it. But certainly, this is just one program. I know of no agency that is trying to do more than HUD in regard to the two housing markets.

COMMISSIONER FREEMAN. The concern of this Commission is that we have one Federal policy and we are concerned that there may be—we would not like to see something like the shell game, whereas on one hand, we have equal opportunity as a responsibility to be administered by HUD over here in the corner, but yet a lot of other programs being carried out without any acceptance of the responsibility for meshing the equal opportunity responsibility into those programs. Because if we would continue to select sites in ghettos, if we will continue to leave the model city area down where it is as a ghetto, then the equal opportunity of program is just a fiction.

The allegation has been made that the Federal Government is primarily responsible for perpetuating segregation and we have got to deal with this as one Federal agency to another. We have to look very hard at the Federal policies and practices. And this is why we ask not only about the urban renewal but the model city because we cannot carry out the law with an equal opportunity man and still the operation people carrying on as if nothing had happened.

MR. ROSAMOND. Well, I certainly agree with what you state, 100 percent, and I still have to say that the 701 Comprehensive Planning Program, as constituted by law, did not lend itself to HUD being able to develop any standards that could be used—of course, those that could be were developed, but the program was to long-range planning that did not relate itself to this particular question until it was revised in June of last year, since which time we have pursued this most vigorously, and I am very hopeful that we will be able to accomplish something under it.

COMMISSIONER FREEMAN. Could you submit to us at a later date, some of the examples of your progress in this regard?

MR. ROSAMOND. I would be glad to.

(The information referred to appears in Exhibit No. 55.)

COMMISSIONER MITCHELL. Mr. Rosamond—

CHAIRMAN HESBURGH. I think, Mr. Mitchell, is this relevant to the line of argument because I want to get back to Mr. Bradley and let him continue.



COMMISSIONER MITCHELL. It is relevant to Mrs. Freeman's comments.

CHAIRMAN HESBURGH. Okay. Go ahead.

COMMISSIONER MITCHELL. What troubles me a little bit as I listen to this, is the feeling maybe you have an opinion on it, either or both of you. This is an issue of great concern, generally, to the people of this country which is why it is reflected in law and why these laws have been passed.

Laws are often, when they are finally written, the result of compromise and sometimes, those people who are better informed in application of law and in the writing of law and in the local effect of Federal law, in the course of compromise to get a law passed, plant in the law some things, in effect, negate the full effectiveness of the law. I can't help but feel, over and over again, these past 3 days, as I have heard representatives of the Federal Government and even of State government discuss their problems with respect to the application of law to do what the people who wanted the laws passed, thought they were going to do.

I can't help but feel that they must sense in some way these laws don't permit them to be effective. That there are inadequacies in them. They either should be stronger or that there are loopholes in them that make it impossible in the end for what we wanted to happen in the beginning.

Do you have that feeling about the laws under which you work?

MR. ROSAMOND. No. I don't—

COMMISSIONER MITCHELL. Do you think they are fully effective and that they—

MR. ROSAMOND. No. I wouldn't say that I would say that they are fully effective. I think that sometimes that you do have loopholes in—and I think that a good example of a loophole is the fact that we found that in the relocation program, that there were certain communities and cities over the Nation that was taking advantage of the fact that you could relocate families anywhere within the metropolitan area as long as it was within reasonable commuting distance.

So, we go back and we try to plug these loopholes. It's the same as in a tax law. IRS is continually trying to plug loopholes and would like to plug more than they have been able to plug. We are constantly on the lookout for such as this.

I think that what we are talking about here is that the impression has been given that perhaps HUD wasn't assuming its responsibility in regard—now we were only talking about '701 program, and this was one of the programs in which we had, that I guess Mr. Harrington had had the least—as the people in the community and the States say—the least Federal bureaucracy in control of any program that we had.

All we required in regard to the 701 Comprehensive Program that

they present to us a work program of what they were going to do. They were going to do land use studies. They were going to do over-all water and sewer planning on a long-range basis and parks and playgrounds and so on. As long as this work program fell within lines of our guidelines and when this was completed, usually by a consultant for most communities, then this met the requirements of the law.

I think, as I say, I would like to really try to impress upon you that this program has changed, the requirements for this program has changed tremendously this year. I think that we are plugging the loopholes as fast as we can.

CHAIRMAN HESBURGH. Mr. Bradley, would you like to continue?

MR. BRADLEY. Yes. I would like to point out that the Commission staff paper introduced yesterday, states that the East-West Gateway Coordinating Council, which is the regional planning organization for the St. Louis metropolitan area, has received approximately \$1,275,000 in 701 planning grants. I take it there has been no requirement of eliminating separate housing markets in order to get these grants?

MR. ROSAMOND. Well, let me go back again, to—this falls right back, Mr. Bradley, on the statement I made earlier. That before they were eligible to receive money in this fiscal year for planning, the requirement was made upon them, one, that they develop—that they start a housing planning program and, two, really I've got my numbers backward.

The first should be that they develop a meaningful citizens' participation program where all of the citizens of the metropolitan area could have some voice in what was being planned and then, secondly, that they do planning in regard to meeting the continuing and long-range needs of the area and I don't have a copy of our—with me—of what we require in regard to the housing market planning that they would do but this does have and relates to some requirements in regard to the question that you have asked.

Now, they exhibited to us and we are now in the process of establishing how effective it's going to be. I think that they have this month—at least they have notified us that they have developed—"appointment of the regional citizens to the board of the Gateway Council will be announced in January 1970 by the executive director, Eugene Moody. Following the appointments of regional citizen members, the board of the Gateway Council is initially expected to establish citizens' task forces to deal with the specific areas of concern and serve in an advisory capacity to the board. These citizens' task forces would cover the study areas of transportation, environmental pollution, law enforcement, the administration of justice, housing and the reform of governmental structures."

Now, we will be following up on all of these organizations but there has to be a starting place and this was it and now we have to

go through this period of seeing if they are actually going to do what they say they are going to do.

MR. BRADLEY. I have one last question. Are there any regulations which would prohibit such a requirement?

MR. ROSAMOND. A requirement of—

MR. BRADLEY. Are there any regulations which would prohibit you from requiring that these plans include provisions for eliminating the separate housing market?

MR. ROSAMOND. I don't know of anything. As I say, I think this probably comes about by the fact that the program didn't originally lend itself to this. That the Congress and the agency and later the Department of Housing and Urban Development, and I am assuming this, that this is the way they were thinking, that more could be accomplished through the other programs that we had, than could be accomplished through the 701 planning program because it didn't necessarily lend itself to this type of thing.

But I am happy to see, and I think that while it may not have this specific requirement, that the actions that are being taken and requirements put in there will certainly go a long way toward doing it. I know of no reason why you couldn't put this in the—I don't know, you would have to go back and read the statutory requirements for setting up the 701 planning program. I don't know whether it provided for developing information that would lend itself to this.

CHAIRMAN HESBURGH. Mr. Bradley?

MR. BRADLEY. No further questions, sir.

CHAIRMAN HESBURGH. I just want to clarify one word. You keep talking about separate housing markets. Do you mean you ought to be able to say there isn't a separate—two separate automobile markets. If you had money you would go in and buy an automobile and the same ought to be true of housing, if you have money, you go in and buy a house.

MR. BRADLEY. That's correct.

COMMISSIONER MITCHELL. What about washrooms?

CHAIRMAN HESBURGH. What did you say?

COMMISSIONER MITCHELL. Washrooms.

CHAIRMAN HESBURGH. Yes, separate washrooms. Same type of thing. But I am talking about markets and when you say no separate market, you really mean that anybody has money buys the same as anybody else that has money.

MR. BRADLEY. Right.

MR. ROSAMOND. But I do want to go back and impress again, that until June this year, there wasn't anything in 701 planning that addressed to housing as such. The housing studies and the needs for this were usually done on an independent basis or they were done through the community renewal—CRP community renewal program.

And it's only been since June of this year that the 701 has addressed itself to housing as such.

CHAIRMAN HESBURGH. I think you have made that point sufficiently, sir. Mr. Glickstein?

MR. GLICKSTEIN. Just one quick question. I believe the testimony was that up until recently, it was possible to relocate people anywhere in the metropolitan area and this had resulted in people being relocated back into the central cities. Is that correct?

MR. ROSAMOND. Well, when you say recently, it was in '62 or '63, somewhere along there, '61, '62, or '63.

MR. GLICKSTEIN. But prior to that, it was possible to relocate people back into the central city?

MR. ROSAMOND. Yes, sir.

MR. GLICKSTEIN. Now, our staff report, after studying the urban renewal program in the St. Louis area, concluded that "Urban renewal in St. Louis County has had the effect of forcing black families into the central city and promoting the creation of the segregated neighborhoods throughout the metropolitan area." Would you say that is an accurate statement?

MR. ROSAMOND. Well, certainly there have been some families moved back into the—that have moved back into St. Louis city from the county, but we've—as I remember, Mr. Herrington, we have had the renewal program of Elmwood Park, Kinloch, and Webster Groves, outside the Olivette program and University City.

Now, I think in terms of numbers moving back that there has been no impact in this regard at all, as regards residents moving from the county into the city. I would venture to say there hasn't been over 50 or 60 in all of these renewal projects that has moved in. Now, I would not make the same statement in regard to relocation within the city of St. Louis because there is a lot of these families in the city of St. Louis in renewal projects that moved before the property is acquired that disappear into another ghetto that I am sure the renewal agency, itself, has not been able to control fully.

CHAIRMAN HESBURGH. Thank you very much, gentlemen. Do you have something, Mr. Ruiz?

COMMISSIONER RUIZ. Yes. I understand that it was concluded that the houses in the Olivette area were beyond feasible economic repair, so that the alternative was chosen for the renewal of the residences under redevelopment instead of rehabilitation?

MR. HERRINGTON. Yes, sir.

COMMISSIONER RUIZ. Now, the owner participation portions of the law have been in existence for many, many, many years. Do either of you gentlemen know whether there was anything done under the owner participation portions of the renewal law to suggest a consolidation by the individual owners to unite their properties for an industrial use?

MR. HERRINGTON. If I understand your question, you are speaking of an effort to get all of the people in the area together and agree to sell their property for industrial development? Is this what you are talking about?

COMMISSIONER RUIZ. Yes, to unite their effort.

MR. HERRINGTON. I know of no effort in that regard. No, sir.

COMMISSIONER RUIZ. Now, do you know what prevented the Olivette community from zoning this area to begin with, as industrial?

MR. HERRINGTON. No, sir. As a matter of fact, if the city of Olivette—I don't know their codes precisely—but if the city of Olivette's codes follow nationally recognized standards and if the city had been enforcing its codes, these people that lived in their housing there, because of the condition, would have been forced to either fix their housing up to suitable standard or be subject to a fine or imprisonment or both.

COMMISSIONER RUIZ. No. We already understand that that was not feasible. I am talking about something else. Changing the zone to an industrial zone.

MR. HERRINGTON. I don't know if they didn't and I don't know why they didn't at any particular point, no, I don't.

COMMISSIONER RUIZ. Is it not true that the character of a community may be changed by simply changing a zone, and in this case, to industrial. Now, if this area would have been changed to an industrial zone, would not the black residents of the community had an economic windfall when it would have been to their financial advantage to sell instead of having to lose their properties against their will? Now, on the basis of a long-range planning, would not the zoning change have deserved serious considerations, sir?

MR. HERRINGTON. Well, let me first—and again, you have got to examine one of these plans very carefully before you can make or reach a conclusion such as that. But, in the first place, there was a serious flood problem associated with the area.

COMMISSIONER RUIZ. Would that have prevented the area from being zoned industrial?

MR. HERRINGTON. It might have prevented the land from being sold for its—as I recall and it's been a long time since I have looked at the plans specifically, but the way that the waterway flowed through there, in order to develop a sizable tract for industrial uses, I think it took some rechannelization of the waterway there.

COMMISSIONER RUIZ. Is it not true that when you make a zone change, it doesn't have to comply, at that moment—

MR. HERRINGTON. Yes, sir.

COMMISSIONER RUIZ. But that you make a zone change for purposes of anticipating and making a project of a situation?

MR. HERRINGTON. I am not trying to defend the situation there.

All I am saying to you is, yes, they could have made a change in the zoning. I am sure the city could have done that. The handicap with zoning changes in bringing about land use and changes of this type over the urban renewal program, is that it takes years to accomplish ordinarily.

Now, maybe it would have been possible—I don't know of any effort made to get the people together jointly, to try to develop something like this—and in retrospect, I suppose that is a possibility that could have been explored. To my knowledge, there could have been something I know nothing about.

COMMISSIONER RUIZ. Thank you, sir.

COMMISSIONER RANKIN. Mr. Rosamond, this morning we discussed Meacham Park. Do you understand that development? The one I am referring to, or Robertson?

MR. ROSAMOND. You are talking about the low-income public housing—

COMMISSIONER RANKIN. That is right.

MR. ROSAMOND. As opposed to renewal and these other programs. Yes, sir.

COMMISSIONER RANKIN. And they mentioned the fact that they had a ruling that they let the former residents have first choice at the facilities, and that had the blessing of HUD. Is that correct?

MR. ROSAMOND. I am not sure that I understand your question in regard to Meacham Park.

COMMISSIONER RANKIN. We'll just take a hypothetical one. Would it—

MR. ROSAMOND. Are you talking about Elmwood? The housing in—

COMMISSIONER RANKIN. I really meant Meacham Park. Maybe Mrs. Freeman knows some of the others, but what I am getting at, is this. Here is a redevelopment in a particular white area or black area. The facilities are built. Then, with your blessing, they say that the former residents have first choice at the facilities. Is that correct?

MR. ROSAMOND. If it's for the former residents within that political subdivision—if it's built within that, has first choice for occupancy, yes.

COMMISSIONER RANKIN. Well, doesn't that perpetuate the segregation of the races if it is in the white neighborhood or a black neighborhood? You are just going on with the same situation, isn't that true?

MR. ROSAMOND. Well, yes, sir, that might be true, but on the other hand, before this priority was put in there, housing that was built and subsidized by the Federal Government, if they were not given priority, didn't any of these families for which that housing was built, get to live in it. It was always filled up by others first. So,

here again, one might outweigh the other one but you have got to take a real deep look at it.

COMMISSIONER RANKIN. Well, I will admit it would be difficult but sometimes I think Senator Stennis has a point. Down South in my area, we are integrating the schools, and I mean integrated to a degree that they are not integrated here in St. Louis, and we had to do it. We have done it under the law. Up here you say you have no law against segregation in the schools. You just go ahead and do it. It worries me a little bit, this *de facto* segregation which I see in other sections of the country, which to me, is just as serious a matter as some of the *de jure* segregation we've had done South and which we are now, under law, beginning to do away with. Do you see my point? And I think the housing here perpetuates it.

MR. ROSAMOND. Well, I think the answer to—as far as housing is concerned—I know nothing about the educational system or not as much as housing—but I think the answer to it is getting sufficient housing built that everyone would have a choice at it, a free choice, well, if we can get past this stage where we don't have the housing shortage that we have now and it is in a terrible condition.

COMMISSIONER RANKIN. Would you say it's in the foreseeable future?

MR. ROSAMOND. No, sir. I would not. I would like to say that it was. Do let me say this, I think that Secretary Romney and his breakthrough program, and, incidentally, Mr. Herrington is our breakthrough representative in Region V, and I think this thing—I know that Mr. Herrington is an architect and I happened to know that when they first came out with this, he didn't really think much of it because—the main reason he didn't know anything about it. But after he got into it, it didn't take him long to change his mind and I think this is a real program. I really do.

CHAIRMAN HESBURGH. Gentlemen, I am going to have to break this off now, if we are going to finish on time. Our concluding time is 2 o'clock and we have two more witnesses. Thank you very much, for your testimony.

Our last two witnesses today are Mr. Chester Hartman, department of city and regional planning, Harvard University, and Clarence Funnyé, director of planning, National Committee Against Discrimination in Housing.

MR. BRADLEY. Mr. Chairman, Mr. Funnyé has been sworn.

CHAIRMAN HESBURGH. Mr. Funnyé, you have been sworn and you don't have to get sworn again.

(Whereupon, Mr. Chester Hartman was sworn by the Chairman and Mr. Clarence Funnyé, having previously been sworn, testified as follows:)

TESTIMONY OF MR. CHESTER HARTMAN, DEPARTMENT OF CITY AND REGIONAL PLANNING, HARVARD UNIVERSITY AND MR. CLARENCE FUNNIE, DIRECTOR OF PLANNING, NATIONAL COMMITTEE AGAINST DISCRIMINATION IN HOUSING.

MR. GLICKSTEIN. Mr. Hartman, will you please state your full name and address for the record.

MR. HARTMAN. Chester Hartman, 15 Farrar Street, Cambridge, Massachusetts.

MR. GLICKSTEIN. What is your educational background and your present employment status?

MR. HARTMAN. I have a bachelor's degree and a doctorate degree from Harvard University where I now teach as assistant professor of city planning.

MR. GLICKSTEIN. And in the city planning field, what are your special interests?

MR. HARTMAN. Primarily housing, urban development, and race relations.

MR. GLICKSTEIN. Have you been retained as a consultant to this Commission?

MR. HARTMAN. Yes, sir, I have.

MR. GLICKSTEIN. And have you been in attendance at these hearings which began this past Thursday?

MR. HARTMAN. I have attended virtually all of the hearings, yes, sir.

MR. GLICKSTEIN. Well, applying your expertise in the fields of housing and urban planning to the testimony which you heard here these past few days, would you give the Commission—summarize for the Commission—some of your observations on what you think needs to be done to remedy or deal with some of the conditions we have heard testimony about?

MR. HARTMAN. Yes, sir. I would be happy to.

It seems to me from the data we have heard in the Commission reports and the testimony from witnesses, that the St. Louis metropolitan area, in many respects, is already beginning to represent those two societies that we have been warned is the Nation's destiny. The central city now is nearly half-black and the surrounding suburban county is nearly all-white. And within the city, there are really two cities, a black city and a white city. In the suburbs, for the most part, the black population is located in small enclaves.

The county itself is not a single entity, but contains nearly one hundred governmental units. Each of these small governmental units has its own separate policy with regard to zoning and subdivision regulations which, together with more subtle, private actions, serve to maintain what has been described here and elsewhere as the white noose around the black neck.

The city and the county are not just separate living places; they are different living places. Clearly they offer to their people very different things in the way of access to jobs and community facili-



ties, housing and public services. Level of expenditure on schools is much higher in the county. Public services are much better in the county. In the city the jobs are shrinking and in the county, the jobs are growing. In the housing area, the city's housing, which means black housing, primarily rental housing, multifamily homes in poor condition, old housing, overcrowded housing. Whereas the county housing, which is the white housing, is primarily single family owned housing. The new construction is there and not in the city. It's primarily good condition housing.

In the area of public programs we also heard that the public housing program, the only low-rent housing program which the Government offers—that which exists in the metropolitan area—is virtually all concentrated in the city and parenthetically I might add that it's there, it's a model of how to create new, expensive, planned slums. Anyway, it is worse than the old slums from which the people came.

In the county area where there is much more space and lower land costs and better community facilities, there is virtually no public housing.

The other major Government program that we have talked about, urban renewal, we see that it is used fairly extensively in the county but primarily to move around black families within the area from more desirable to less desirable locations, or to move them out of the area altogether.

And although it may be no comfort to the people of St. Louis, the situation which we talked about over the last 3 days, had we held the hearings in any of a number of other metropolitan areas, would have found just about the same thing. A slight difference in facts, but just about that same picture.

The kinds of data that we were presented, were all flushed out and made human through a series of very eloquent and cogent witnesses who describe their own personal experience within this system. If anyone needed additional persuasion as to the truth or urgency represented by the statistics offered, men like Messrs. Hamilton, Ali, Allen, Williams, and many others, all told it like it is, in human terms.

We also heard a cross-section of representatives from what I might call the principal actors in the system. Those who serve to make the racist system function. We heard from the large employers who, by their locational and relocational decisions, their actions and inactions, the field of hiring, promotion, job conditions, helped to maintain the present situation with respect to unemployment, underemployment, and unequal job distribution.

We have heard from Federal agencies in the field of contract compliance and other areas. Who, through unwillingness or inability

and some more probably a combination of the two, allow present practices to continue.

We have heard from real estate brokers and developers who build and trade in residential properties, in such a way that maintains what has been described as two separate housing markets. One big step towards two separate societies.

We have heard from local and Federal housing urban development officials, who employ public programs or allow them to be employed, to further this system of two markets with unequal benefits to blacks and to whites.

We might have heard from others, too, if we had more time; particularly the financial institutions, which are so critical to the housing market and whose policies undoubtedly play a key role in creating and maintaining this situation.

And if I may make a more general, sociological observation about this parade of actors that we have heard, it is this. Everyone seems to deny responsibility for the problem; denies playing a personal role in the system of racism; denies having personal attitudes and behavior that are discriminatory. Everyone lays great stress on presumed changes that have been made rather than on the problems that remain and asserts that possibly there may be discrimination, but it's someplace else rather than themselves or the institutions they service.

And rather than admit there is any racism in one's own business, for example firm, the firm's only black worker, a building janitor quite clearly, is described as "having important responsibility for the welfare of a number of commercial buildings."

In another such hearing I attended a couple of years ago, a similar employee, a janitor, was described as a custodial engineer.

Few of the people we heard even will admit that race by itself is the reason for these kinds of disparities. It is rather some other factor that happened to be correlated with race. Black workers don't have many jobs in the suburban factories, not because they are black, but because they don't live in the suburbs near the jobs.

Those who say this would ignore the reasons for this residential pattern, reasons which is clearly race, and say it's beyond their sphere of competence or control.

They would also ignore the important exceptions to the general pattern. For example, as the Commission survey show, even where new jobs open nearby to black residential areas, such as in the suburban Normandy Shopping Center, very few blacks get jobs there and those that they do get, are at the bottom of the ladder.

But I don't think we should be upset if we cannot prove, that is, in terms which must convince everyone, the effects of the racist system and how it functions. One of the more frustrating experiences of the last few days, is observing the efforts of the Commis-

sion to create such ironclad proof by inducing the various actors to acknowledge and admit the system and their role in it. We heard all the cliches of denial and one knows emotionally, that these kinds of cliches simply don't engage the issue.

As I sat in the audience for these last 3 days, I heard all round me, snickers from the black audience as they hear the protestations of the various witnesses regarding why the job, the housing pattern is what it is. And there is really no doubt what the truth is. The documentation you are creating is very important. The record is important. But I don't think we should feel satisfied or incomplete if that 100 percent level of irrefutable proof and universal acknowledgment to the problem is not attained. I say this, because there is a danger, it seems to me, of spending too much time on documentation and persuasion and not enough time on acting to change present conditions.

In fact, as we review some of the various actors that we have heard, there is no one person or group of persons who can be described as responsible for the situation we have named. And I hope this was not the purpose of the hearing, to find the guilty parties and excoriate them. The fact is that all the actors that we have heard from and many more, have had a role in that elaborate and destructive system called racism. And I might add, parenthetically, there is a grave danger that even the Commission in a hearing such as this, may play such a role.

And because of this, no one person feels sufficiently responsible for creating and maintaining the system. No one feels that he, by changing his own actions, could do much to break the chain and everyone seems to feel unjustly charged with ultimate responsibility. Everyone seems to feel, with a great good deal of justification, that it will be against his own self-interests, as he narrowly conceives them, to change his own behavior. And, in fact, all of the people we have been hearing in this racist system, are behaving in a rather normal and rational manner. They are following their self-interests as they perceive them.

The path to change then, and the only way to bring change about, is to change the structure of self-interest and, therefore, to change the behavior of the individual and the institutions. Attitudes are secondary. They are more difficult to change and less important ultimately. If we can change institutions and behavior, attitudes will eventually change to accord with behavior.

The key actor in all of this, of course, is the Federal Government. It is the one actor that has the power, ideological and legal commitment, and the distance. By that, I mean the lack of direct interest involvement on the local level, to bring about these changes. And it is also the one place that this Commission has the greatest influence.

Let me describe what I think the Federal Government could do

and what I think your Commission ought to insist that it does in the areas of employment and housing.

There is no doubt that the big corporations is where the action is in the employment field. There is hardly a major corporation in the U. S. that is not deeply involved in Federal contracts. And through ripple effects on nongovernmental business of these corporations and on their suppliers and subcontractors, the impact of Government contracts is enormous.

I think if we follow the self-interest argument that I laid out earlier, it is safe to say that those who run our big corporations are interested primarily in just one thing, and that is maximizing profits.

Those at the top who make the big decisions do not, I believe, care too much whether their skilled workers, their technicians, their foreman, their assistant foreman, their professionals, are black or white, just as long as they get the job done, they get the contracts and make their money, and satisfy their customers, their stockholders, and their superiors.

On the other hand, they have no particular interest in solving the racial problem either. Save, unfortunately but realistically, when the disruptions and violences caused by the black underclass threaten the stability of the system and their ability to carry on business as usual.

Clearly, we must make it in their, the corporation's, interest, to provide adequate jobs at all levels for black workers as a precondition for getting Government contracts. The Federal Government must realize that solving the country's social, economic, and racial problems is as important a product as airplanes, uniforms, and paper clips, or any of the hundreds of other products needed to make the country run. And the two products, so to speak, can be produced simultaneously.

There must be two phases to this process. Once we accept the principle that equal job opportunities for black workers is a goal as important as the material product itself, the initial awards of Government contracts should in part be based on the progress the company has made at the point of submitting its bid in providing equal job opportunities for black workers.

Just as the price of the bid and quality of the product are now critical factors in deciding who gets what contracts, so ought absence of discrimination in hiring, promotion policies, and work conditions be an equally important factor in determining contract awards. This will encourage companies to act in this area immediately so as to improve their competitive position in bidding for contracts.

It also makes it in the interest of present workers who are predominantly white to accept these conditions of equal opportunity. For their own continued job advancement and security which is related to the company's well being, will also be related to the

conditions of black workers. I don't know if we can ever expect to put a complete end to the, what was called restroom poetry on the factory walls, that was described earlier at these hearings. But I believe it is also possible to change the structure of self-interest and thus the behavior of white workers through this same process.

The second phase, in addition to this threshold qualifying condition I described for getting contract, must be a plan. A very carefully monitored plan as to how the contract itself will be used to increase black employment. A detailed description of how many jobs and at what levels will be provided for black workers and how this is to be done.

This job development plan must be incorporated as part of the contract. And failure to fulfill this part of the contract must lead to penalties and the removal of the job order itself, just as failure to produce the product according to predetermined specifications might lead to such measures. In short, the product and the process by which the product comes into being, the economic, social, and racial factors that are involved in employment, must be seen as equally important to the Federal Government, with equal stress laid on monitoring both aspects and equal sanctions imposed for failure to meet stated goals.

How this is to come about, I cannot recommend. Whether legislation, Executive order, administrative orders, or informal methods are the most appropriate, I am not qualified to say. I do know, however, that what I am advocating is essentially a political question, in the broadest sense of that word: values, interests, and power.

No matter what the formal means chosen, such a policy cannot be effective unless and until those who make and carry out Government policies at the highest levels embrace this new approach with sincerity and dedication and impart this urgency to their subordinates. We have seen in the employment and housing fields quite clearly, how evasion and footdragging can make a mockery out of laws and Executive orders. It is the will behind the policy and not the form that counts.

Before turning to housing, let me offer you a very specific suggestion for action in the employment field, which has arisen out of these hearings these 3 days. A way in which a microcosm form—yet substantial in itself—you might begin to implement the approach I have just outlined.

We have heard a very perfect example at these hearings of the way in which the system operates and presently functions. A contract which will amount to some \$8 billion has been awarded to a local company, which clearly, from the data we have, has done but little to hire black workers at any but the lowest level. The contract was awarded despite the company's past record in this area, and with little firm guarantee that matters will improve in the future. As one of our witnesses so aptly stated, this award is nothing less than

a slap in the face of the black community. Although I do not have the available exact comparison figures, I think it is safe to say that the amount of this new F-15 contract is many, many times what will be spent in the St. Louis area on antipoverty and low-rent housing programs in the next few years. The present system and its priorities have worked to produce this situation.

Now quite apart from the issue of whether we ought to be spending all of these billions of dollars on fighter planes instead of more pressing pro-human needs—I assume this commitment as a given at this point—I think the Commission ought to focus squarely on this one contract over the next couple of months. The combination of an education job, telling the Nation just how the system works, and strenuous attempts to turn this situation around in just this one case; to show it can be done and how important it is to change our way of doing things.

The hearing here, only touched on some aspects of the F-15 issue. There's a lot more that needs to be investigated. In particular, how the Department of Defense, at the highest levels, acts with regard to such matters and what its priorities and operating procedures are. And that probably has to be done in Washington and not here in St. Louis.

As a matter of fact, I would suggest to you that you take this whole matter of the F-15 contract to Washington, develop the entire picture, and reopen your hearings in Washington, exclusively on this issue of the F-15 contract. There you will have both national and international press coverage and the ears of Congress, the Administration, and Federal agencies. Bring to Washington the key St. Louis witnesses you have heard here. The company, the workers, the union, the black community and, together with appropriate DoD officials, lay out the entire picture for the whole country to see.

Just what things are like in St. Louis now, how the McDonnell company got the F-15 contract; the role played and not played by the Department of Defense; what the scenario will be with regard to black employment and unemployment under present circumstances; and what it might be if DoD insists on a job development plan for the black community as part of the F-15 project and incorporates that plan into the contract itself, with an adequate monitoring system.

A well prepared hearing, and you have shown yourselves quite capable of preparing cogent hearings, with proper publicity and follow-up efforts on your part in the Administration, Congress, and DoD, could well lead to a turnaround in the F-15 contract. If you could accomplish this one thing, you really will have achieved something, both in and of itself and as a model for future Government contracts. Let me note, too, that in my view, this is something I think you owe to the people who came here to testify. We heard a

lot of angry and disappointed people over the last few days. People who don't have much reason left to believe in America. Yet they came here and not, I suspect, out of any desire to help you compile a record of how a racist system operates, because this they know full well. They came because at some level, they believed you could do them some good and bring about some change.

I suggested earlier that this Commission and such hearings might subtly and unconsciously be playing themselves a role in the racist system that we have described here. And if all you do is compile a record and document things and I suspect this may well be the case, you will have given the impression that something is being done, allowed some militants to blow off some steam, and played an important safety valve role in the present system.

I suggest, therefore, that if you are serious in your purpose—and I think you really are—that you aim for action and change and that possibly you make the F-15 issue important enough that you will even think of resigning as a Commission if the McDonnell contract is not revised so as to guarantee adequate and fair employment of black workers as part of that \$8 billion.

This I would suggest as a concrete agenda for your next few months.

I will be very brief in the area of housing, in part because I have previously said and written much in this field which I would be happy to make available to the Commission; in part, simply because of the considerations of time. Housing is an area where the Government has done a lot less and presently has a lot less potential than is true of employment.

Basically, from what we have seen of the data presented and the testimony from witnesses, recommendations for Government action would consist of refraining from certain current practices and increasing programs in other area. The urban renewal program is clearly being used as a way of redistributing the area's black population and this is beyond doubt a violation of law and of more general public policy. Although the program was introduced as part of the 1949 Housing Act, which stated in its preamble the national housing goal of a decent home and suitable living environment for every American family.

As far as black families have been concerned, urban renewal has meant not only worse housing conditions but an involuntary re-shuffling from one city to another, or from one part of a city to another, as those who made decisions about the local renewal program decide how they want land used on which black families reside and where they want black families to live. There is nothing to be said about this pattern other than it must be ended at once. Local renewal authorities may propose programs of this sort, but it is up to HUD, and there is no question but they have the power, not to allow locali-

ties to go ahead with blatantly racist urban renewal projects. This is something you must demand of the Department of Housing and Urban Development.

The housing field is more complex. The issue is only partly one of housing discrimination, although there is no doubt that such practices exist in quite great quantity. The more fundamental issue is that tens of thousands of persons in the St. Louis area—white as well as black, I might add, although proportionately more blacks than whites—are living in substandard or overcrowded conditions, homes as well as neighborhoods. Given the high and rising costs of providing decent housing they are only going to be able to live decently if Government subsidies are made available.

The problem in part is one of totally and inadequate resources at the Federal level. What we spend nationally on low-rent housing, would just barely meet the needs of the St. Louis area. And it's in part one of delivery systems. What kind of housing, where, how it's to be provided. With regard to the former issue, the Commission would do well to support the recommendations of the Douglas Commission, The National Commission on Urban Problems.

Their report provided a first-rate analysis of the Nation's housing problems and needs. But in the shuffle of politics, it has been virtually ignored. The recent housing goals for the Nation, set forth in the 1968 housing act, while still inadequate, at least provide the first serious attempt at quantifying our national needs. It's clear that already 2 years after the passage of this act, we are well behind the goal and will continue to be behind unless groups like this Commission keep reminding the Nation of its commitments and its inadequate performance.

The second part, the delivery system, is a more complex matter, although as important. Generally, it's my view that unless we have the right kind of housing and the right kind of housing conditions, it's useless and perhaps worse than useless to spend a lot of Government money in this area. I think you would all share my view that it would be better not to spend housing money at all than to build dozens of additional Pruitt-Igoes to replace present slums.

There is no reason why we have to build large sterile housing projects and the Commission ought to raise its voice in demanding that Government housing subsidies be spent for such programs as leased public housing, scattered site developments, rent supplements, home ownership subsidies, rehabilitation, and other methods which guarantee that the housing produced will be decent and satisfactory to its occupants and to the community. And it should be built in all areas of the metropolitan area and not just in the central city.

The idea of separating and segregating the poor into easily identified compounds of their own, is simply unworkable. The key issue that has been raised about this in these hearings is the reluctance



of local agencies outside the central city to provide housing for low-income families.

Federal low-rent housing programs, at present, rely totally on local housing authorities. And at present only one municipality in the county, the all-Negro town of Kinloch has a housing authority. The county housing authority has done but little and presently can operate only in unincorporated areas of the county. Thus low-rent housing, and, therefore, low-income people, and a majority of them are black, are virtually excluded from the incorporated areas of the county. This is but one of the negative effects of the fractionated system of local government in the county.

If the Commission is to have an impact in this area, it ought to recommend a delivery system which can insure that low-rent housing can be built throughout the metropolitan area. This will require relaxation of some of the traditional exclusionary powers of zoning and subdivision regulations which have been given to local government.

In this regard, my own State of Massachusetts has recently passed some legislation which might be of interest to you. It calls for exclusion of a certain percentage of a town, or city's undeveloped land from prevailing zoning restrictions if the purpose is to build low-income or moderate-income housing.

But it will also require a more positive means to providing sponsors and builders of such housing. In this regard, the Commission might recommend nonprofit community groups be given the right to contract directly with HUD for low-rent public housing annual contributions, in the event there is no local housing authority or if the local housing authority refuses to build an adequate amount of housing. Or it might require that the community be required to build a certain amount of low- and moderate-income housing under any of a variety of programs, as a precondition for receipt of certain types of Federal aid, for highways, urban renewal, public facilities, planning grants, etc.

Finally, as to the relation of jobs in housing, in part, the suggestions I made above would seem to insure at least some greater amount of correspondence between the two. But perhaps we ought to think in terms of greater public influence over the location of jobs, rather than just observing trends and trying to catch up with them.

In this regard, I would suggest that the Commission look into the possibility of Government regulation of plant location and relocation, so as to avert the social costs of plants moving out of the central city. At present, such regulations exist under our labor relations laws to forbid plants from relocating, if the purpose and effect of this move is to escape labor unions. Under a similar principle, considerations of the economic impact on the black population of

the central city might provide justification for some controls of a plant relocation out of central cities.

Similarly, Government controls over and inducements governing the location of new economic activity might be used to shift the present trend of economic decline in the central city which has so heavily contributed to the economic plight of our black urban population.

I hope these comments and suggestions have been of some help to the Commission, and I would be happy to answer any questions you might have.

MR. GLICKSTEIN. Perhaps we could turn to Mr. Funnyé, at this point. Mr. Funnyé, you testified before this body the day we opened, is that correct?

MR. FUNNYÉ. That's right.

MR. GLICKSTEIN. Have you attended the sessions since then?

MR. FUNNYÉ. I have, yes.

MR. GLICKSTEIN. Would you please give us your observations on some of the issues that Dr. Hartman has addressed himself to?

MR. FUNNYÉ. I would be delighted to react to Mr. Hartman's paper, but before doing that, what I would like to do is get into the record at least a portion of some of my own impressions which were arrived at independently from Mr. Hartman's which I think may be of some interest.

I begin by saying in a poetry way.

Lately almost everywhere I go,  
I somehow feel I've been before,  
And nothing seems new anymore,  
I must be getting old.

This passage from a poem I wrote 2 years ago seems in a way to sum up much of what I've heard in the last 2½ days. Yet it could not really sum up, because the new is always here in people who still hope when reason would dictate otherwise. I was touched by the hopefulness of the scores of witnesses who came here—to this Commission seeking a glimmer of promise that the Commission would or could somehow redeem the American dream.

We have had much drama in these few days. We have seen the drama of a young black veteran, no doubt of foreign wars, for freedom of foreign people, simply petitioning—just petitioning this agency to see if it could possibly get some part of the American dream for himself.

We have also seen the drama of a corporate giant pompously boasting that his company was literally less than interested in the internal social problems unless they had something to do with the construction of airplanes. We have seen the drama of Federal housing officials and real estate brokers join spiritual hands while pleading for more education on the problem, and in the face of all we know about ghettoization and the threat to America's security, we

have sat mesmerized while being told that the agencies of the American Government are adding to the burdens of the weak while aiding the strongest in contradiction to the wishes of four American Presidents and the Congress of the United States.

We have also pondered the drama of witnessing respected citizens allude to the shadow of a grand conspiracy between financial institutions to continue for profit or prejudice, the conditions which not less than four distinguished Commissions have termed detrimental to America and all her dreams.

Yet with the mixture shock, dismay, pessimism, and hope, the eloquence of the hopeful, at least those who came and talked, impels some kind of emotion, so while there is no question that the eloquence of these past 2½ days defies further synthesis, I am moved to attempt a summary and conclusion with a few recommendations which I humbly pray will lend themselves to some new directional approaches to solutions of the problems discussed.

I am begging indulgence in simplification; I believe the problem reiterated would read thus:

That residual forces of slavery and inhumanity still operate to deprive black citizens of their share in the guarantees of freedom, liberty, and the pursuit of the proverbial American dream, insofar as such dream is embodied in access to suburban jobs, housing, and related amenities at least on a basis equal to that enjoyed by white citizens.

Moreover, other forces not directly related to race, as has been alluded to here by several speakers including Dr. Hartman, are compounding the nonaccess by changing the character of the urban opportunity environment and forcing a further physical separation between the haves and have-nots.

Now, we have had graphic illustrations of this phenomenon in terms of suburban jobs, confinement of blacks to central cities and no good purpose would be served here by reiteration. One might point out in passing, that these areas were like planning, including zoning and building laws, real estate practices at least as they relate to the aggressive discrimination against blacks, Federal programs, at least as they related to nonenforcement of remedies, financial institutions insofar as they operate or suspect to be operating to give whites unfair economic advantage over blacks, corporate business to the extent that corporate business feels somehow above the law in terms of providing equal treatment, and, finally, that indefinable, individual prejudice.

The evidence presented clearly shows malfunction in the institutions of activity enumerated and certainly we have seen how zoning and building laws are used to shore up status or economic advantages of the guys who are inside against the guys who are outside. But let us look for a moment at the solutions proposed.

Both the real estate interest groups and business representatives,

when acknowledging the existence of a problem, suggest "voluntary action" and "education" as vague remedies.

It is interesting to note that while they protest concern simultaneously, they admit no significant involvement in voluntary action or education. This leads one to suspect that the protestations are somewhat insincere.

No one argues that a citizen or an institution ought not be educated—that is, ought to be educated to, for example, voluntarily obey a law against murder. One who does murder is, when known, speedily apprehended and dealt with in a manner prescribed by law. It is not difficult to imagine what kind of society we would have if laws against murder were handled as casually as Federal prohibitions against discrimination which, as testimony has shown, does operate to spiritually murder millions of blacks and other minorities.

Now, if it can be shown as, indeed it has, that spiritual murdering of a person or a group of persons is as detrimental to society as physical murder, then it must follow that one ought not be tolerated more than the other.

The preponderance of old and new laws against racial discrimination indicates to some extent that the American Congress appreciates that even in the most well meaning of relationships, the welfare of the weak cannot be left to the whims of the strong.

An introductory statement to this hearing recalled that the wishes of Congress are often subverted by malfunctions or perhaps deliberately sabotaged at the administrative level, often by the very agencies charged with enforcement of Federal remedies.

The apparent helplessness of the U.S. Office of Contract Compliance in dealing with giant corporations who exist on the American tax dollar and the evident immobility of FHA in controlling or containing the growth of ghettos and the denial of opportunity are examples which compel us to suggest what some more sanguine person might term radical measures.

The measures are as follows:

One, that with respect to zoning and planning, that for purposes of Federal assistance eligibility, the Federal Government shall not recognize the validity of any zoning, building, or land use regulation unless the municipality or governmental entity shows that such regulations are designed to produce or stimulate the production within such community of a percentage of lower-income housing at least equal to the percentage of low- and moderate-income persons who reside or work in such community or who, under equitable random distribution, could be expected to reside or work in such community.

Moreover, the production of the indicated housing would have to be sited that is, located, in such a manner as to maximize opportunity for reasonably rapid access to places of employment, education, and other urban amenities and, further, that the plans for production

and siting of housing would form a part of any proposal for any Federal assistance, including assistance for transportation, water and sewer or education within the geographical area of the applicant and that such plan be related in reasonably logical economic and social terms to the larger metropolis and/or region.

This suggestion stops somewhat short of Federal abolition of local zoning because such abolition would be questionable, at least in constitutional terms, but I believe it would tend to considerably modify the present exclusionary or snob status of zoning as presently practiced.

With respect to the real estate industry, my recommendations are a bit shorter. I recommend that discrimination or the aiding or abetting of discrimination by any real estate practitioner in violation of Federal law or Executive orders be made a Federal crime and that any person so acting, upon conviction be ineligible to participate in the sale or rental of any house insured or otherwise assisted by Federal funds for a period of not less than 10 years. I added 10 to see if they would try to write a law, but this is the kind of directional suggestion.

Now, we know that the licensing of professionals is reserved constitutionally for the State government and this proposal would not interfere with that provision. However, given the realities of existing housing financing, brokers who would pander to the prejudice of their clients would be severely hampered by being taken out of the Federal market.

Finally, I have a proposal on Federal land policy. Notably, that the Federal Government, finally, I hope, adopt a policy intended to positively direct the purely economic forces which develop land and that the Federal Government do this by establishing a land bank, particularly for urban land. It would release selectively, federally owned urban land for housing development at such time as it is deemed to be in the national interest to positively intervene in the equations which make urban land prohibitively expensive for other than high-cost housing.

One thing that has been clear in the last few days, and you have heard it over and over again, by friend and foe alike and it is land is too expensive for housing.

Now, fortunately the Federal Government already owns thousands of acres of land in or around urban areas in abandoned or partially abandoned military installations. Some of these have excellent sewers and in some cases, road systems which are readily adaptable to rapid development as housing sites.

Others, such as the massive Aberdeen Proving Grounds located north of Baltimore, Maryland, in the heart of the Washington-New York-Boston megalopolis, are ideally suited for development as sites for balanced new towns, designed to relieve the population pressures in decaying portions of older cities and providing the flexibility

needed for programmed—as opposed to piecemeal—rehabilitation of these cities.

Land released from the Federal land bank would, of course, be free from the encumbrances of antiquated building codes and would take full advantage of the new engineering in housing and construction.

Now, clearly this proposal, if adopted, would put the Federal Government in the housing market as a “balancing force” spurring innovation rather than as a kind of big junior partner merely showing up outmoded and highly questionable housing techniques and policies. The Government would thus be moving toward the practical reconsideration of housing as an element in the profit equation.

Tactical politics might dictate that such reconsideration as suggested in this proposal, be at first confined to low- and moderate-income housing because it is precisely in this area that the housing profit industry has been in default, admitted an inability to cope with the housing problem. However, new findings, especially in large metropolitan areas, are showing that middle-income people are also suffering a great deal.

We are getting evidence every day that the traditional housing industry is even failing to adequately cope with what we call “upper middle class” housing. Now, taken in the light of the present level of Federal assistance, this raises serious questions as to whether the national interest, in internal security terms, is served by continuation of present profit policies in land use and housing. Indeed, one might make an excellent case for regarding housing as an essential to life much like clean water and fresh air, wherein the Government would have a responsibility to insure the absolute minimum of a safe, sound, sanitary, and decent housing in a suitable living environment as a birthright of every American irrespective of his ability to pay.

Note that the adoption of this proposal would, in part, render moot the present concern with the artificial increase in land prices occasioned by misuse of zoning by local authorities. However, it is nevertheless intended to be mutually supportive of the provisions contained herein under suggestions for changes in Federal responses to local planning and zoning, since in neither instance is it intended that local initiative be eliminated, merely controlled in the interest of national security.

Finally, all of these proposals, of course, presuppose that the crisis of our cities, insofar as they intertwine with continued existence of our cities as cultural and economic centers, can be interpreted or directly related to national security and that such relationship when understood by the American people and its leadership would release that proverbial American “clutch play”, that so-called “clutch play” commitment which always enables the country to pull itself out at the last minute.

After all we have heard in the last few days, the honorable Com-

missioners should know that I submit these proposals in the firm belief that the last minute is now.

MR. GLICKSTEIN. Mr. Chairman, although the very stimulating presentations by Messrs. Funnyé and Hartman would prompt me to direct many questions at them, I know a number of the Commissioners have airplanes to catch and, therefore, I will refrain from asking any questions.

CHAIRMAN HESBURGH. Thank you. We do have another order of business which I would like Mr. Glickstein to address himself to which means we have to move right along if we are going to conclude this hearing on time.

Mr. Funnyé and Mr. Hartman, we appreciate very much your coming. We will take your suggestions seriously and we appreciate your making them. Thank you very much.

MR. GLICKSTEIN. One preliminary matter, Mr. Chairman. We have a statement that's been submitted to us by a Mr. Roy Powell and he has asked that it be included in our record. May this be introduced into the record?

CHAIRMAN HESBURGH. So ordered.

(Whereupon, the document referred to was marked Exhibit No. 38 and received in evidence.)

MR. GLICKSTEIN. Under Section 705.11 of the Commission's Rules, we have a provision that if, during the course of a public session, evidence is submitted which was not previously presented at an executive session and which the Commission determines may tend to defame, degrade, or incriminate any person or organization, the provisions of the Commission's Rules dealing with executive sessions shall apply.

At the beginning of this hearing on January 14, Commissioner Freeman explained in some detail the purpose of Commission executive sessions and such a session, as a matter of fact, was held on January 14. On the evening of January 15, testimony was unexpectedly delivered before this Commission, at a public session, which the Commission has determined may tend to defame, degrade, or incriminate. The persons or organizations about whom such determination has been made, have been invited to appear at an executive session of this Commission at 2:30 p.m. this afternoon and/or to submit a statement.

Each was sent a copy of the Commission's Rules which explain this right and a brief summary of the information which the Commission has determined may tend to defame, degrade, or incriminate such persons or organizations.

After hearing those persons or representatives of organizations who appear at the executive session, the Commission will then determine whether to release or to use evidence or testimony which it

already has heard at a public session and which it has determined may tend to defame, degrade, or incriminate.

In the event the Commission determines not to release or use such evidence or testimony, the Commission shall strike such evidence from the record. In the event the Commission determines to release or to use such evidence or testimony, the Commission will afford those who appear at our executive session an opportunity to appear voluntarily at a public session, immediately thereafter, to respond on the record of this hearing to the evidence which the Commission has determined may tend to defame, degrade, or incriminate, or within a reasonable time, to submit for the record of this hearing, a sworn statement and to submit brief and pertinent sworn statements of others.

Accordingly, Mr. Chairman, after your concluding statement, the Commission should recess, so this room should be cleared and we should move into an executive session.

CHAIRMAN HESBURGH. Thank you, Mr. Glickstein.

Ladies and gentlemen, this hearing of the United States Commission on Civil Rights is drawing to an end. On behalf of all the Commission, both Commissioners and staff, I wish to express our gratitude for the complete cooperation we have received from so many officials, private citizens, and organizations in the St. Louis area, and from Marshalls Robert Breeden and Ferd Creely. The staff of the National Personnel Records Center has gone to extraordinary lengths to assure that the setting of this hearing would reflect its serious purpose.

Especially helpful have been Mr. Joseph L. Wertzberger, Center Manager, and Alfred J. Petroski, Chief, Accession and Disposal Branch. We are deeply grateful to both of them and their associates.

Within a few moments, this hearing will pass into history. The 21½ days of testimony and questioning will come to a conclusion and all of us will leave this hearing room to return to our regular routines. I do not believe, however, that any of us will leave this hearing room unchanged. We have heard too much testimony from too many people not to be aware that we face problems of enormous magnitude.

This hearing in St. Louis County is only the first step in an objective study by the Commission of the racial implications of the rapid growth of industry and housing in the suburbs. A great deal of further investigation needs to be done before this body can make any overall judgments on major policy issues, but the nature of the testimony we have heard gives the task a sense of urgency.

The issues we have been examining in such searching details are complex and time and time again, the Commission has been impressed by the sincerity of the witnesses, by the caliber of their



testimony, and by their almost unanimous opinion that integration in our society remains a desirable goal.

We have heard how problems are inter-related so that they tend to exacerbate one another. The unavailability of transportation makes it difficult for some residents to hold employment in the suburbs, and yet the supply of jobs within the city is on the decline. Some housing patterns seem to exclude blacks, so that it is almost impossible for them to live close to their source of employment and they have to settle for housing that is less than adequate. These things have meaning for the future since, left unattended, they could help produce almost all-black cities and virtually all-white suburbs.

St. Louis is not alone in sharing these problems: they are duplicated in other metropolitan areas throughout the country. Our 2½ days of placing this area under a microscope was not an attempt to embarrass any individual or institution or certainly this city and its county, but was an effort to begin the search for solutions that will be applicable to other areas facing similar problems. We believe a beginning has been made. We came not to find fault, but to find facts on which we can base recommendations for action.

During the past few days, public attention has been focused on the complex relationship between the city and the suburbs, and now that this hearing has concluded, we hope that the attention will not disappear. It has been our experience in many areas of the Nation that Commission hearings have helped to improve communications and to enhance understanding among people of diverse views in the same locality.

As a result of this hearing, a special Subcommittee of the Missouri State Advisory Committee to the U. S. Commission on Civil Rights is being constituted for the specific purpose of engaging in follow-up activities. This Subcommittee will examine the transcript of these proceedings, evaluate the progress in areas in which there were assurances given, and pursue issues raised during the course of this hearing.

Members of this Subcommittee include Chairman, Rev. Richard P. Ellerbrake, Dr. John W. Bennett, Mrs. Leslie Bond, Dr. John B. Irvin, Mrs. William S. Fields, David M. Grant, Samuel H. Liberman, Rev. Trafford P. Marr, Miss Evelyn H. Roberts, Mrs. Paul Schriver, Melvin Harrington, Lon Hocker, Myron Schwartz, George H. Capps, and Mrs. Georgia T. Roosham.

As this hearing closes, I wish to point out that witnesses at Commission hearings are protected by the Provisions of Title 18, United States Code, Section 1505, which makes it a crime to threaten, intimidate, or injure witnesses on account of their attendance at Government proceedings. c

When we began this hearing, 2½ days ago, it was January 15, the birthday of Martin Luther King, Jr. In closing, I would like to

reflect for just a moment on the philosophy of this man who loved all men.

One of his thoughts seems most appropriate at this time. And I quote:

If I can help somebody as I pass along the way, then my living will not be in vain.

I hope that this hearing has shown and demonstrated the interdependence we all have upon each other, the fact that we do not live alone. As John Donne has said: "No man is an island." We need each other if we are going to make social progress, both as a city and as a county and as a Nation.

Ladies and gentlemen, this public part of the hearing of the United States Commission on Civil Rights is recessed. Thank you all, very much.

(Whereupon, at 2:17 p.m., the public hearing was recessed, to reconvene in executive session.)

EXHIBITS ENTERED INTO HEARING RECORD

*Exhibit No. 1*

COMMISSION ON CIVIL RIGHTS

MISSOURI

Notice of Hearing

Notice is hereby given, pursuant to the provisions of the Civil Rights Act of 1957, 71 Stat. 634, as amended, that a public hearing of the U.S. Commission on Civil Rights will commence on January 14, 1970, and that an executive session, if appropriate, will be convened on January 14, 1970, to be held at the National Personnel Records Center, 9700 Page Boulevard, St. Louis, Mo. The purpose of the hearing is to collect information concerning legal developments constituting a denial of equal protection of the laws under the Constitution because of race, color, religion, or national origin which affect the housing opportunities, or employment opportunities, or economic security of persons residing in St. Louis County and in the State of Missouri; to appraise the laws and policies of the Federal Government with respect to denials of equal protection of the laws under the Constitution because of race, color, religion, or national origin as these affect the housing opportunities, or employment opportunities or economic security of persons in the above areas, and to disseminate information with respect to denials of equal protection of the laws because of race, color, religion, or national origin in the fields of housing, employment, and related areas.

Dated at Washington, D.C., December 13, 1969.

THEODORE M. HESBURGH, C.S.C.,  
*Chairman.*

[F.R. Doc. 69-14760; Filed, Dec. 12, 1969;  
8:45 a.m.]

Exhibits No. 2 through No. 5 were entered into the record in Executive Session.

ZONING, JOBS AND THE SUBURBS: OR THE AMERICAN DREAM REVISITED

AN INTRODUCTORY STATEMENT BEFORE THE ST LOUIS HEARING OF  
THE UNITED STATES COMMISSION ON CIVIL RIGHTS

BY CLARENCE FUNNYÉ, Ph. D., AIP  
DIRECTOR OF PLANNING AND FIELD SERVICES FOR  
THE NATIONAL COMMITTEE AGAINST DISCRIMINATION IN HOUSING

ST. LOUIS, MISSOURI

JANUARY 15, 1970

The United States is probably the only Western nation which has yet to come to terms with herself as a nation. Indeed, there is some concern about the difficulty of coming to terms with even components of the society -- even the physical components normally thought to be essential to any "civilized" society. A prime example is the American city, one of the world's great accidents. No one apparently wanted them. While they nevertheless grew out of necessity, everyone deplored them and harkened for the mythical good old days even as they trooped to the city to reap the traditional benefits of urbanization.

The American city never really had a mental chance --no one ever really expected them to work as viable centers of residential life, and even as the American city was completing its birth, Americans were already equating the "good life" (in residential terms) with non-city life. When an estimated 60 percent of the population lived in cities, the dream of the one acre and a picket fence still haunted the halls of Congress and soon materialized in government programs to open the countryside and bring the dream to fruition. The massive post war FHA and VA housing programs and the highway construction program, of course, ignored the city and, as history has shown, signaled the beginning of the decline of our nation's urban centers.

Development of the suburbs would not of itself be detrimental to the city. Insofar as it could be accomplished, it has resulted in at least an approach to the American Dream for a great many citizens. The difficulty is that the city, the poor and the racial minorities were not programmed into the dream realization mechanism (the Federal housing and planning programs), except for the urban renewal program which did economically revitalize some urban centers, none of the serious Federal funds

have been spent in a way to ultimately benefit the city, the poor, and the racial minorities. In fact, urban renewal was at best a mixed blessing for the city and practically a disaster for the minorities and for the urban poor. These groups suffered a net loss in both the quantity and quality of housing available to them. The U. S. Commission on Civil Rights was one of the first of a series of national commissions to make this observation -- in Volume IV (Housing) of its 1961 Reports. Since then, the Kerner, Kaiser and the Douglas Commissions have all called attention to this fact.

But even before the reports were completed, the liberal forces within our country had succeeded in obtaining an executive order (#11063) and Title VI of the Civil Rights of 1964, which the President and the Congress hoped would eliminate much of the housing discrimination.

Both of these "remedies" were adopted in or before 1964, yet in October, 1968, the National Commission Against Discrimination In Housing, in its publication "How The Federal Government Builds Ghettos", charged that:

"The Department of Housing and Urban Development, from its central office to its regional and local offices, is replete with officials who are out of sympathy with the nondiscrimination policy and objectives of the Administration, and who are unwilling to implement the responsibilities imposed upon them by Executive Order 11063 and Title VI of the Civil Rights Act of 1964."

The Committee recommended that HUD promulgate criteria for housing site selection that would lead to racial integration in all public housing projects, and that the Bureau of Compliance and Enforcement of the Division of Civil Rights, through its field staff, should have full authority to withhold approval of any site which, in its opinion, would result in extending the racially segregated housing patterns.

HUD did respond by adopting site selection criteria, but was not fully responsive to other NCDH recommendations. Meanwhile, the Congress, sensing much non-movement in the urban area, had reacted with a number of urban repair programs and devices designed to ameliorate the problem. The Office of Economic Opportunity, Model Cities, and the so-called non-profit housing programs are preliminary indications that the nation is doing at least a rhetorical about-face in its anti-city posture.

The Federal requirement for regionalism in metropolitan planning is further evidence of recognition by the national leadership that American cities and suburbs are interdependent of each other, and the economic and social viability of both are in the national interest. Moreover, in its "about-face", the Congress took note of the relationship of blatant racial discrimination in housing. The Government recognized, or at least acknowledged its responsibility for insuring urban opportunity for racial minorities and passed the 1968 Fair Housing Act, requiring "All executive departments and agencies to administer their programs and activities relating to housing and urban development in a manner affirmatively to further the purposes" of equal urban opportunity.

The purposes or policies set forth by the 1968 Fair Housing Act prohibited discrimination in the sale or rental of housing (Sec. 804) but went even further to make "it unlawful for any bank, building and loan --- associations, insurance company or other corporation, firm or enterprise whose business consists in whole or in part in making commercial real estate loans" to discriminate because of race.

The U.S. Congress acted with great care and discrimination in the interest of the American people.

It has been more than a year since the act took effect, yet the agency charged with the administration of the law in the execution of



its programs (see Sec. 808 (e) (5), Public Laws 90-284 has not yet promulgated regulations to implement the intent of Congress.

In personal professional association with HUD, I have on many occasions heard local municipal officials lament the lack of HUD support in even meekly attempting to enforce the laws. They seemed much less concerned with insuring equal opportunity in housing and employment than in getting projects processed irrespective of whether such projects violated Federal law. It is safe to say without fear of contradiction, that in the face of renewed and heightened national concern about cities and urban opportunity, the institutional and bureaucratic momentum of the anti-city, anti-minority, and anti-poor years continues nearly unabated. For the poor and the racial minorities, the American Dream, insofar as it is embodied in access to the green grass and open spaces of suburbia, remains just that. A dream. Meanwhile, new and ominous forces are joining to further cloud the future for blacks. The first force is the rediscovery by suburban whites that zoning, land-use restrictions and urban planning can be manipulated to accomplish legally what racially restrictive covenants could not; namely, exclude blacks and the poor or near-poor.

A government entity with its state enabled zoning powers can simply zone out poor people, large families or people who prefer to live on less than one or two and, in some ridiculous cases, four acres per dwelling.

Zoning, the regulation of land use including specification of the character, scope and duration of such usage, was originally conceived as a mechanism whereby the local government might insure a high degree of environmental amenities by, for example, restricting buildings with noxious fumes to be located near residential areas, or by limiting the deployment

of high traffic producing industries near hospitals. There is some question that zoning was even actually used this way in the beginning -- some maintain the device was always intended or at least used to appreciate land values on residential status and rarely, if ever, to seek after the "common good". Experience does show that generally zoning boards are made up of men who do have more than a purely civic interest in the control of land values. Very often they include prominent representation from institutions concerned with making a profit in the sale of real property.

Moreover, even where there are no obvious non-civic connections between zoning board membership and the decisions made, there is hardly ever a description of what constitutes for the community in question "the common good". Even conservation planning professionals now concede that zoning and land use powers is often employed as a device for racial and economic discrimination. A few of the most blatant examples are already being challenged in the courts by national civil right groups. Change agents, whether organized or not, are npt notably given to long range planning and the momentum of the civil rights movement of the sixties was nearly exhausted on public accommodations, jobs and in-city discrimination before the leadership got around to taking a hard look at the suburb as a dream Mecca.

What is of concern is the embodiment in the suburbsof much of the former and potential economic sustenance of the black community and the fact that non-access to suburban housing is much more than just symbolic denial of dream realization in traditional suburban image terms. New revelations show that non-access to the suburban housing market means non-access to jobs and all that jobs provide.

The first organization to do this was the National Committee Against Discrimination in Housing, in its 1967 report entitled The Impact of Housing Patterns on Job Opportunities.

The NCDH report rocked civil rights circles because some of its findings were literally shocking. The agency studied five metropolitan areas; that is, the central city and its suburban ring. In summarizing its major findings, NCDH said:

The primary conclusion to be drawn from this preliminary study of where people live and where the jobs are is that residents of the nation's racial ghettos are severely handicapped in their search for employment by housing market conditions and discriminatory practices. Nonwhites and other minorities increasingly are contained in circumstribed areas of central cities; employment opportunities increasingly are locating in outlying sections and suburban communities where Negroes are denied access to living accommodations. In short, jobs are moving beyond the geographic reach of those who need them most.

As a consequence, the cities -- more and more the habitat of the elderly, the black, and the poor -- are plagued by a multiplicity of problems not the least of which is the social dynamite bred by extreme poverty, deprivation and racial discrimination. The economic and operational problems of city governments, business interests, and community institutions are pyramiding, and the people of the city are ever more stripped of essential services.

#### Where People Live

\* The proportion of the nation's Negro population living in rural areas and urban areas has undergone a total reversal during the last 50 years: 73 per cent rural in 1910 to 73 per cent urban in 1960.

\* Eighty per cent of all Negroes living in urban (metropolitan) areas in 1960 lived in central cities, contrasted with less than 50 per cent of the urban white population.

\* Between 1960 and 1966, the white population in central cities declined by 900,000, despite an increase of over 10 million whites living in metropolitan areas.

\* By 1966, only 27 per cent of the nation's white population lived in central cities, compared with 55 per cent of the total Negro population.

\* The increasing color separation between center city and suburbia is exemplified by the counter movement of population in metropolitan Baltimore. Between 1940 and 1960, the center city nonwhite population grew from 19.4 to 35.0 per cent. During the same period, while the white population in Baltimore's suburban ring grew by 196.8 per cent ( from 247,171 to 733,592), the nonwhite proportion of the suburban population shrank from 11.9 to 6.9 per cent.

#### Unemployment and Under-Employment

\* For almost 20 years nonwhite unemployment rates have fluctuated between 1½ and 2½ times those for whites.

\* In non-poverty areas recently surveyed, unemployment for nonwhites was 7.2 per cent compared with 3.6 per cent for whites.

\* In poverty areas, the unemployment rate for nonwhites was 9.4 per cent, contrasted with 6.0 per cent for whites.

\* Figures from the U.S. Labor Department's new index of "sub-employment" are even more staggering. This index includes the unemployed, heads of households earning less than poverty-level wages, part-time workers, etc. Average sub-employment was found to be 34.6 per cent in ghetto areas recently surveyed in eight cities over the nation, while the conventional unemployment rate in these areas had been shown as 10 per cent.

\* The unemployment rate for nonwhite males from 14 to 19 years of age was 31 per cent; for females in this age group, 46 per cent.

\* If nonwhites continue to hold the same proportion of jobs in each occupation, by 1975 the unemployment rate for Negroes will be more than five times that for the labor force as a whole.

#### Where the Jobs Are

\* The overwhelming proportion of new jobs created in recent years have been located outside the center cities in areas where Negroes are denied housing either by overt discrimination or lack of moderate-cost accommodations.

\* A recent Bureau of Labor Statistics study shows that from 1960 to 1965 at least 62 per cent of valuation permits for new industrial buildings and 52 per cent of those for mercantile establishments were for construction in the suburbs.

\* The actual number of jobs has declined in many major cities. For example, from 1951 to 1965, St. Louis City lost 62,000 jobs; Philadelphia lost 49,000. Even in cities where slight

gains have been made in clerical and white collar employment, there has been a loss in semi-skilled and unskilled jobs. Manufacturing jobs in New York City dropped by almost 50,000 from 1962 to 1965, with an additional decline of some 6,400 jobs in trade; San Francisco lost 4,400 jobs in manufacturing, and 1,100 in trade.

In the five cities covered by this study (Baltimore, New York, Philadelphia, St. Louis and San Francisco), from 1951 to 1965 manufacturing employment decreased by some 360,000 jobs.

\* Commutation is not a practical solution for reducing the disparity between job location and the housing location of minorities: it is prohibitively expensive; excessively time-consuming; and the ghetto poor are in no position to maintain the automobiles necessary for most commutes. For instance, to commute from Hunter's Point in San Francisco to a job in suburban Contra Costa County in the East Bay area would cost \$3.00 per day, consume four to five hours in daily travel time, and would involve three or four transfers. In many cases, public transportation is not available from center cities to suburban plant locations.

#### Disparities in Training

\* Unpublished figures for enrollment in Government training programs indicate that nonwhites, particularly young Negroes, are being seriously shortchanged.

\* The majority of Negro participants are being trained for those jobs which are the lowest paid and offer the least chance for advancement.

\* Those in most critical need of training are Negro males; the largest percentage of Negro enrollees are females.

\* Most of the Negro enrollment in manpower training programs is for vocational courses under the Institutional programs, with Negro males comprising about 31 per cent of total male enrollment and Negro females accounting for 42 per cent. Under this program, the enrollee must still search for a job when the training is completed.

\* Those enrolled in On-the-Job Training programs are salaried while they learn and generally have a job when they complete the course. Under OJT, 98 per cent of the Negro trainees (96 per cent of the whites) obtain work related to their training. Yet Negroes comprise only 13.8 per cent of all OJT trainees, whereas they make up 35.9 per cent of the less advantageous Institutional program enrollment.

\* The racial disparity in Government training programs becomes even greater when examined by occupational break down. Negroes training under the Institutional program for metal-working jobs make up 25 percent of the enrollment; but Negroes are only 10 percent of all metal-working trainees in the On-the-Job program. In building trades, Negroes are 26 percent of the Institutional trainees, but only 18 percent of the OJT enrollees. For lower paying jobs in hospitals, hotels and restaurants, nonwhites make up 40 percent of the Institutional trainee enrollment and 34 percent of the enrollment for OJT.

\* The types of industry which are locating in the suburbs are precisely those most amenable to OJT programs. Therefore, exclusionary housing patterns must be recognized as a likely deterrent to Negro participation in this most advantageous of the manpower training programs.

NCDH observed that "race undoubtedly was one of the many factors underlying the shift of whites from cities to suburbs during the 1950's. During the 1960's, however, race and race-related questions (whether in education, police protection or housing) appear to have become a major consideration among many lower-class whites who have left the cities. There is, for example, a discernible trend toward suburbanization among many second-generation American families who have not yet reached middle-income levels."

This finding suggests, even as the Eisenhower Report implies, that the cities may not be "the final place" of the poor and black, but the black only, whether poor or not.

The Report, in characteristic understatement, was the first of only a few to observe that even the poor whites were being accommodated in suburban locations to a degree far greater than for black middle- and upper-income persons. The NCDH findings were originally thought to be "alarmist" by some urban critics; however, it is now regarded almost as being rationally conservative, in view of the projections of the final report of the National Commission on the Causes and Prevention of Violence.

The Commission predicted that the continuation of present policies of planning and housing and job discrimination would result in our nation's cities becoming armed camps with the complete passing of any opportunity for finally including blacks and other racial minorities in the American Dream.

The Honorable Commissioners should know that such passing would signal the beginning of the end of the American city as viable economic and cultural centers. At best it would see drastic redefinition of the city in our culture. Even now we see liberals frustrated by the non-movement in deghettoorzzation opting for the ultimate fantasy, "The blacks-are-natives-of-the-ghetto" and don't really want to move.

We see some fair housing professionals who have yet to confront the real enemy and who, in any case, have less than a complete understanding of the relationship between residence, jobs and opportunity, actually caught up in the rationalization of center city ghetto confinement, and we see hypocritical Federal program administrators who have steadfastly refused to carry out deghettoization mandates, adopting and amplifying the rhetoric of a tiny portion of the black community in justification of its betrayal of that community.

It is certainly no overstatement to say that the Government's apparently schizophrenic approach to resolution of residual problems of slavery in our country continues to contribute to the death of the American Dream for those millions of citizens who languish in increasingly poverty-stricken ghettos, as the nation tries to make up its mind about itself as a nation of one people under God.

They watch as the light of the dream flickers with time and ask: If not now, when?

*Exhibit No. 7*

UNITED STATES COMMISSION ON CIVIL RIGHTS

STAFF REPORT

DEMOGRAPHIC, ECONOMIC AND SOCIAL CHARACTERISTICS OF  
CITY OF ST. LOUIS AND ST. LOUIS COUNTY

January, 1970



POPULATION

The St. Louis Standard Metropolitan Statistical Area (SMSA)<sup>1/</sup> consists of the City of St. Louis and five counties - St. Louis County, Jefferson County, and St. Charles County, in Missouri, and Madison County and St. Clair County, in Illinois. The Mississippi River separates the Illinois counties from the Missouri counties. In 1960 the population of the SMSA was 2,060,103; the black population was 294,873 or 14 percent of the area population.<sup>2/</sup> The SMSA had experienced an increase of 22.5 percent in population from 1950-1960. The black population had increased by 36.9 percent while the white population had increased by only 20 percent.<sup>3/</sup> A 1969 estimate of the total population puts it at 2,460,000, an increase of 16.9 percent since 1960.<sup>4/</sup> In 1960, 34 percent of the metropolitan area population was in St. Louis County and 36 percent in the City of St. Louis.<sup>5/</sup>

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<sup>1/</sup> A Standard Metropolitan Statistical Area (SMSA) is a county or group of contiguous counties which contains at least one city of 50,000 inhabitants or more, or "twin cities" with a combined population of at least 50,000. In addition to the county, or counties, containing such a city or cities, contiguous counties are included in an SMSA if, according to certain criteria, they are essentially metropolitan in character and are socially and economically integrated within the central city. Franklin County was added to the St. Louis SMSA in 1963.

<sup>2/</sup> U.S. Census of Population and Housing: 1960, Census Tracts. Final Report PHC (1)-131, Table P-1.

<sup>3/</sup> These percentages are based on calculations from 1950 population figures as reported by the U.S. Bureau of the Census. U.S. Census of Population: 1950. Vol. II Characteristics of the Population, Part 25, Missouri, Tables 33 and 34.

<sup>4/</sup> Economic Development Department, Chamber of Commerce of Metropolitan St. Louis, Population Projections, St. Louis Standard Metropolitan Statistical Area (April 1969).

<sup>5/</sup> U.S. Census of Population and Housing: 1960, supra note 2.

St. Louis City

The City of St. Louis is an area of 62 square miles extending north and south on the west bank of the Mississippi River below its junction with the Missouri River. The city is surrounded in an arc by St. Louis County. It can be roughly divided into three areas - the "downtown" area of shops, office buildings and light industry which extends westward through the city and includes a large area of urban renewal; the black ghetto of North St. Louis which spans the city from east to west at its widest point, with the exception of the northern tip which is still predominantly white; and South St. Louis, a virtually all-white and primarily residential area of apartment houses and private homes, although the black ghetto is moving into the northern part of this section. The population of the city in 1960 was 750,026; 214,377 or 29 percent of that population was black. While the metropolitan area had gained in population, the population of the City of St. Louis had decreased by 12.5 percent from 1950. Estimates for 1970 put the city population at 667,500, an additional decrease of 11 percent since 1960. Of this total, an estimated 291,500 or 43.7 percent are black.<sup>6/</sup> The loss in total population is a result of the movement of the white population from the central city to suburban areas. From 1950 to 1960, the white population decreased by 24 percent while the black population increased by 39 percent. The natural increase and in-migration of blacks to the city has not been large enough to offset the increasing out-migration of the white population. Projections show that the decline in the total

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<sup>6/</sup> Southwestern Bell Telephone Company, St. Louis Scorecard, section I/2 (Sept. 1969).

number of people in St. Louis will continue while the black population will increase. An East-West Gateway Coordinating Council study of the area found that other communities are developing both commercially and industrially in competition with the City of St. Louis and concluded that the city probably will not regain the importance it once held as a metropolitan hub.<sup>7/</sup>

### St. Louis County

St. Louis County is an area of 497 square miles west of the City of St. Louis.<sup>8/</sup> Within the county there are 96 municipalities. The largest cities in the county in 1960 were University City with a population of 51,249; Florissant, population 38,166; Kirkwood, population 29,421; Webster Groves, population 28,990; Ferguson, population 22,149; and Overland, population 22,763.<sup>9/</sup> In 1960 St. Louis County had a population of 703,532 of which only 2.7 percent was black. This was a 73 percent increase since 1950 when the county population was 406,349. St. Louis County is one of the fastest growing jurisdictions in the St. Louis area, having surpassed the City of St. Louis in population size since 1960. The County's 1970 population estimate is 1,055,100 of which an estimated 4.1 percent are black, while the city's 1970 population estimate is 667,500 of which an estimated 43.7 percent are black. (See Appendices A and E).

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<sup>7/</sup> East-West Gateway Coordinating Council, Population Projections, 15 (Sept. 3, 1968).

<sup>8/</sup> W. Rubeyser, "The St. Louis Economic Blues," Fortune Magazine, 210 (January 1968).

<sup>9/</sup> U.S. Census of Population: 1960. Vol. I, Characteristics of the Population. Part 27, Missouri, Table 13.

Until the last few years there has been very little movement of black persons into the county. In 1940, 12,309 black persons lived in the county. The number of black persons rose to 16,819 in 1950 and to 19,007 in 1960.

The population gains made by St. Louis County during the 1950's continued into the 1960's but at a slightly lessened rate. According to the East-West Gateway Study, the deceleration of population growth was due to two factors. First, the amount of available residential land in the county diminished as the population grew; and secondly, the land which was available in the 1960's was located farther away from the central business districts of St. Louis and less accessible to them.<sup>10/</sup> The study predicts that the in-migration of population into St. Louis County will continue until 1975 when the population movement is expected to be directed toward other counties.<sup>11/</sup>

Although St. Louis County is eight times the size of the City of St. Louis, the population density is five times greater in the city. Based on 1970 population estimates, there are 2,123 persons per square mile in St. Louis County compared to 10,766 persons per square mile in the city.

The movement of the black population into St. Louis County has been concentrated in certain areas. This is evident from the increase in the percentage of black children enrolled in

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<sup>10/</sup> East-West Gateway Coordinating Council, supra note 7, at 12.

<sup>11/</sup> Id.

certain county school districts. 12/ In the 1965-66 school year, of 25 school districts, only 4 were more than 10 percent black (Kinloch, 100 percent; Wellston, 47 percent; Maplewood-Richmond Heights, 12 percent; and Webster Groves, 10 percent). By the 1969-70 school year, eight districts were more than 10 percent black. Those which had experienced the most rapid change included University City which increased from 3 percent black in 1965-66 to 32 percent black in 1969-70; Wellston from 3 percent black in 1965-66 to 90 percent black in 1969-70; Normandy School District from 2 percent black in 1965-66 to 17 percent in 1969-70 and the Berkeley School District which increased from 8 percent black in 1965-66 to 16 percent black in 1969-70. Further indication that the black population is not evenly dispersed throughout the county is illustrated by the fact that in half (12) of the school districts, less than 1 percent of the students are black. (See Appendices B and C).

In the 1968-69 school year, of the 10,225 black children enrolled in county public schools, 2,021, or almost 20 percent, attended seven schools that were over 90 percent black. 13/ (See Appendix D).

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12/ It should be noted that the percentage of black students in a school district does not necessarily mean that black persons represent an identical percentage of the population in the area served by the school. For example, in University City 32 percent of all students are black, but only about 17 percent of the population of University City is black, according to estimates by the University City Human Relations Commission.

13/ The Wellston School District is not included in this figure since a breakdown of pertinent data by school was unavailable. The Wellston School District is 90 percent black in the current (1969-70) school year, an indication that several schools are likely to have been over 90 percent black in the 1968-69 school year.

EDUCATION

In 1968-69 the St. Louis City schools had an enrollment of 115,593.<sup>14/</sup> Sixty-four percent of the students enrolled were black. Of 4,811 teachers, 2,497 or 52 percent were black. The city spent \$675 per pupil in 1968-69.<sup>15/</sup> Private and parochial schools in the city had an enrollment of 31,680 students, of whom 6,986 or 22 percent were black. The twenty-five school districts in St. Louis County had an enrollment in 1968-69 of 203,538, of whom 10,225 or 5 percent were black.<sup>16/</sup> There were 9,011 teachers in the county public schools, of whom 239 or 2.7 percent were black. The 1968-69 per pupil expenditure in county school districts ranged from a high of \$1,427 in Clayton to a low of \$558 in Kinloch. Private and parochial schools in the county had an enrollment of 62,129, of whom 1,116 or 1.8 percent were black.<sup>17/</sup>

The median educational attainment in 1960 of persons 25 years old and over in St. Louis County was higher than that of persons in the City of St. Louis. As the following table indicates, it was lowest for nonwhites in both the city and the county.

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<sup>14/</sup> Including Special Education. Southwestern Bell Telephone Company, St. Louis Scorecard, section IX/5 (Sept. 1969).

<sup>15/</sup> Id. at section IX/6.

<sup>16/</sup> Does not include the St. Louis County Special District. Supra note 14 at section IX/5.

<sup>17/</sup> Id.

18/

Median Years of School Completed - 1960

	TOTAL POPULATION	NONWHITE
St. Louis City	8.8	8.7
St. Louis County	11.7	8.6

GOVERNMENT ORGANIZATION

The City of St. Louis is an independent city, operated outside the area of any county. It separated from St. Louis County in 1876 when the county area was almost entirely rural. Several unsuccessful attempts have been made to improve governmental relations between St. Louis City and St. Louis County. In 1926 a plan for merger passed in the city, but failed in the county. A district plan for the administration of certain services was defeated in 1959 in both the city and the county. In 1962 a constitutional amendment to permit the establishment of a federated type of government failed to pass in a state-wide vote.

The city has both municipal and county officers since it must perform the functions of both a city and a county. Municipal officers include a Mayor and a Board of Aldermen, 28 of whom are elected by wards plus a president elected at large.

St. Louis County is a Class I county governed by a 7 member County Council and a County Supervisor.<sup>19/</sup> The county's 96 municipalities each have separate governmental structures. In addition, the 25 school districts in the county are operated separately.

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18/ U.S. Census of Population and Housing: 1960. Supra  
note 2, Tables P-1 and P-4.

19/ Counties are grouped into 4 classes based on the assessed valuation of property within the county. Class I counties have over \$300 million valuation. There are only 2 Class I counties in the State of Missouri. Mo. Ann. Stats. §48.020 (1969).

There are several governmental units that have metropolitan-wide authority. There is a Metropolitan Area St. Louis Sewer District which services all of St. Louis City and most of the urban territory of St. Louis County, having assumed ownership and control of all publicly owned sanitary and storm sewers within the area. The district is governed by a board of trustees consisting of three members appointed by the mayor of St. Louis and three by the county supervisor. Revenue is derived from property taxes, <sup>20/</sup> special benefit assessments, and rates and charges for service.

Another regional governmental body is the Bi-State Development Agency created in 1949 in an effort to solve problems created by the Mississippi River boundary shared by Missouri and Illinois. Its function is to handle transportation facilities and to plan for the coordination of roads, parking areas, water and recreational facilities, and land use patterns. The agency can charge and collect fees, issue bonds, and receive monies from other governmental divisions, but has no taxing powers. Since 1963 it has operated the Bi-State Transit System, which is areawide, in addition to several other projects. It also operates the transportation system in the Gateway Arch.

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<sup>20/</sup> League of Women Voters of Missouri, Missouri Voters' Handbook pp. 58-9 (Aug. 1967).



In St. Louis County in 1960 the median income for white families was \$7,602 with only 6.3 percent earning less than \$3,000. For black families the median income was \$3,578, with 41.3 percent earning less than \$3,000.<sup>23/</sup>

In 1960 almost 24 percent of employed civilian workers in the City of St. Louis were nonwhite. In St. Louis County, 2.4 percent were nonwhite. Appendix I shows the distribution of employees in nonagricultural jobs by occupation. Over 70 percent of black persons in the county labor force held low level, low paying jobs.

In 1966 the Department of Labor surveyed 14 areas in the United States to obtain a clear picture of unemployment and sub-employment in poverty areas. The slums of Northside St. Louis were included in this survey. In North St. Louis, where 80 percent of all black persons in the City of St. Louis reside, the unemployment rate was 12.9 percent compared to 2.9 percent for the St. Louis metropolitan area as a whole.<sup>24/</sup> The sub-employment rate in the area was 38.9

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<sup>23/</sup> U.S. Census of Population and Housing: 1960. supra note 2, Tables P-1 and P-4.

<sup>24/</sup> U.S. Department of Labor, supra note 22.

The East-West Gateway Coordinating Council, the only regional body with any power, was created in 1965. It is made up of elected officials from various units of local government and is responsible for regional planning. The East-West Gateway Coordinating Council has been designated the Council of Governments for the St. Louis area. Under Federal law it reviews a variety of Federal grant-in-aid programs for the area. The Council has recently been expanded to include six community representatives. The six will represent the black community, the business community, the education community, the labor community, and the religious community. They will be appointed by various State and local officials.

#### INCOME AND EMPLOYMENT

The difference between white and nonwhite income levels is an indication of the severe employment problems faced by Negroes. In 1960 the median income for white families in the City of St. Louis was \$5,833; for black families, \$3,718. While 15.8 percent of white families earned less than \$3,000, 39.5 percent of black families earned less than \$3,000.<sup>21/</sup> In low income areas in North St. Louis, a 1966 Department of Labor survey found that 27 percent<sup>22/</sup> of those working full-time were earning less than \$60.00 per week.

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<sup>21/</sup> U. S. Census of Population and Housing: 1960. Supra note 2, Tables P-1 and P-4.

<sup>22/</sup> U. S. Department of Labor, Sub-Employment in the Slums of St. Louis (1966).

<sup>25/</sup> percent. Twenty-seven percent of the unemployed had been out of work for 5 months or more, and 20 percent had never held a job. The unemployment rate for teenagers was 40 percent. In St. Louis, black persons comprised 93 percent of the residents of poverty areas.

<u>Last Occupation of Unemployed</u>	<u>Percent of Total Unemployed</u>	<u>Percent of Total <sup>26/</sup> Unfilled Job Openings</u>
Laborer	11.9	6.9
Service Worker	41.1	17.4
Operative	13.0	14.7
White Collar	7.0	46.1
Craftsman	.4	14.1
Farm Worker	--	.8
Never Worked	19.6	--

The table above shows that while 66 percent of the unemployed last worked as laborers, service workers, or operatives, only 39 percent of the openings were in these occupations. The statistics

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<sup>25/</sup> Id. Sub-employment includes those unemployed in the sense that they are "actively" looking for work and unable to find it; those working only part-time when they are trying to get full-time work; those heads of households under 65 years who earn less than \$60 per week working full-time and those individuals under 65 who are not heads of households and earn less than \$56 per week in a full-time job; half the number of "non-participants" in the male 20-64 age groups; and a conservative and carefully considered estimate of the male "undercount" group (based on the assumption that the number of males in the area should approximate the number of females as indicated by the general male-female relationship in the population and that half of the unfound males are sub-employed).

<sup>26/</sup> Id.

reveal a heavy demand in St. Louis for white-collar workers, a category in which very few (7 percent) of the unemployed had experience. <sup>27/</sup>

#### ECONOMIC DEVELOPMENT

The St. Louis metropolitan area has experienced an overall pattern of economic growth in recent years. In September 1969, nonagricultural employment totaled 909,000. <sup>28/</sup> This was a job increase of 3.5 percent since March 1968. From 1968 to 1970, employment was expected to increase by 11,000 to 13,000 annually. <sup>29/</sup>

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<sup>27/</sup> The Department of Labor found that the slum unemployment situation is strongly affected by "job market" circumstances.

- There is unquestionably a shortage of unskilled jobs in, or even near, the slum areas.
- Many jobs that are available are characteristically low-paying--below the "poverty" level.
- New plant locations along with new jobs are increasingly built in suburban St. Louis County, far from the slums.
- The new job locations also tend to be near residential areas where housing is not available to Negro workers.

U.S. Department of Labor, Sub-Employment in the Slums of St. Louis (1966).

<sup>28/</sup> U. S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, Vol. 16, No. 5, Table B-7 at 66 (Nov. 1969).

<sup>29/</sup> Department of Housing and Urban Development, Federal Housing Administration, Analysis of the St. Louis, Missouri-Illinois Housing Market at i (May 1969).

The growth of employment opportunities in the St. Louis metropolitan area has been primarily in St. Louis County. The county continues to grow in importance in both commercial and manufacturing activities. In 1968 of 49 new industries locating in the St. Louis SMSA, 33 located in St. Louis County while only 8 located in the City of St. Louis. Sixty-two industries in the metropolitan area expanded in 1968 -- 37 in St. Louis County and twenty in the City of St. Louis. Of 41 industries which relocated, 40 relocated to St. Louis County while none relocated to the City of St. Louis. 30/

There has been rapid expansion of industry and jobs in St. Louis County since 1951. Between 1951 and 1967 the number of employees in St. Louis County increased five times while the number in the central city declined by 20 percent. The total number of persons employed in the county rose from 43,621 to 218,009, an increase of more than 170,000 new jobs, while the total number of persons employed in the city fell from 419,813 to 337,067, a loss of over 80,000 jobs. The principal industries contributing to the shift have been in the areas of manufacturing and trade. Over the sixteen-year period, St. Louis County gained over 75,000 jobs in manufacturing and 47,000 jobs in wholesale and retail trade. At the same time the city lost 50,000 manufacturing jobs and 35,000 jobs in wholesale and retail trade. These industries are the biggest employers of blue-collar workers. The areas in which the

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30/ Missouri Division of Commerce and Industrial Development, Missouri's New and Expanding Industries 1968 at 7-9 (March 1969).

city has increased in employment -- principally finance, real-estate and insurance, and services -- are white-collar. This shift in the structure of jobs affects black persons more adversely than whites because black persons are concentrated in blue-collar jobs, but live in the central city, physically separated from jobs which they could fill. (See Appendices F, G. and H).

Employment in Trade Establishments

In competition with the central business district of St. Louis are an increasing number of suburban trade establishments, such as shopping centers and chain stores, which offer a good source of jobs for relatively unskilled workers.

A survey of three suburban shopping centers -- Northwest Plaza, 14 miles from downtown; Ballwin Plaza, 24 miles from downtown; and Normandy Shopping Center, 7½ miles from downtown -- presented a negative employment picture for black persons in suburban areas. <sup>31/</sup> In Ballwin Plaza there were 238 employees in 23 establishments; only 7, or 3 percent, were black. Of these 7, 5 held low-level jobs, such as utility clerk or security guard in a supermarket. In Northwest Plaza, 58 establishments were surveyed (larger chain stores were not included) with a total of 669 full and part-time employees. Of this total 51, or 7.6 percent, were black. Of the 51 black employees, over half (27) were employed

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<sup>31/</sup> U.S. Commission on Civil Rights staff survey, November 4-7, 1969.

as janitors, maids, porters, or kitchen help. Normandy Shopping Center is located in an area which has experienced an increase in black population in recent years. Nevertheless, of 199 employees in 15 establishments (large chain stores not included) only 12, or 6 percent, were black. Seven of these held positions as dishwashers, porters, stockmen, or cooks.

Large chain stores tended to hire fewer black employees in their suburban branches. For example, Stix, Baer and Fuller employed 314 black persons out of a total of 2,155 employees (14.6 percent) in their downtown and service store. In their St. Louis County branch stores, only 7.6 percent of their 2,328 employees were black. Over half (55 percent) of these black employees were <sup>32/</sup> service workers.

Penney Stores employed 416 persons in four city stores; 75, or 18 percent, were black. In St. Louis County stores, they employed a total of 1128 persons. Only 29, or 2.5 percent, were black. <sup>33/</sup> The Famous Barr Department Stores operate four stores in St. Louis County and four in the City of St. Louis. The city stores and service center have a total of 4,232 employees of

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<sup>32/</sup> Letter from William H. Bedell of Stix, Baer and Fuller to George Bradley, U.S. Commission on Civil Rights, October 14, 1969.

<sup>33/</sup> Letter from Eugene F. Rowan, J. C. Penney Co., Inc. to Robert H. Amidon, U. S. Commission on Civil Rights, Nov. 20, 1969.

whom 478, or 11 percent, are black. Of the 1,498 persons involved in sales, 150, or 10 percent, are black. In the county stores, there are 3,575 employees, 282, or 8 percent, are black. Of the 2,341 sales personnel, only 98, or 4 percent, are black.<sup>34/</sup> The Sears Roebuck Stores employ 1,341 persons in their two city stores and credit center. They employ 284 black persons (22 percent) in these stores. In their two stores in St. Louis County, 2,105 persons are employed of whom 103, or 4.8 percent, are black.<sup>35/</sup>

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<sup>34/</sup> Staff interview with Adrian Bray and F. T. Bastman, Famous Barr Co., St. Louis, Mo. Nov. 17, 1969.

<sup>35/</sup> Staff interview with G. S. Kerridge, Sears Roebuck and Co., St. Louis, Mo., Nov. 17, 1969.



Employment in Industrial Establishments

St. Louis County has twelve industrial districts. 36/ Employment data for selected large industries within each district indicates that the Pagedale-University City - Wellston District, which is located adjacent to the St. Louis city limits and is an area with a substantial black population, employs proportionately more black persons than the other districts most of which are located farther out in the county. 37/ In a Commission survey of the 1968 Equal Employment Opportunity Commission data, it was determined that the Pagedale-University City - Wellston District employed 5,618 persons, of whom 1078 or 19.2 percent were black. The percentage of black persons employed in other districts ranged from 2.9 percent to 13.8 percent. Included in several of the other districts were some of the largest manufacturing companies located in the county, a fact which did not significantly affect the total percentage of black employees.

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36/ The industrial districts are not planned industrial subdivisions but major areas of contiguous industrial property. The twelve districts are: Affton Industrial District, Brentwood-Maplewood-Webster Groves Industrial District, Bridgeton - Champ Industrial District, Central-West Industrial District, Chesterfield Industrial District, Columbia Bottoms Industrial District, Lafayette Industrial District, Meramec Valley Industrial District, Pagedale-University City - Wellston Industrial District, and South County Industrial District.

37/ Data from Equal Employment Opportunity Commission, EEO-1 forms. The Commission requested employment data on all industrial companies in St. Louis County. The data is for 88 companies for which the Equal Employment Opportunity Commission sent 1968 EEO-1 forms.

APPENDIX A

POPULATION TRENDS BY RACE

<u>ST. LOUIS CITY</u>	<u>POPULATION</u>			<u>CHANGE 1950-60</u>		<u>CHANGE 1960-70</u>	
	<u>1950</u>	<u>1960</u>	<u>est. 1970</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
White	702,348	534,004	376,000	-168,344	-24	-158,004	-30
Black	153,766	214,377	291,500	60,611	39	77,123	36
TOTAL	856,796 <sup>*/</sup>	750,026	667,500	-106,770	-12	-82,526	-11
 <u>ST. LOUIS COUNTY</u>							
White	389,336	683,652	1,011,900	294,316	76	328,248	48
Black	16,819	19,007	43,200	2,188	13	24,193	127
TOTAL	406,349 <sup>*/</sup>	703,532	1,055,100	297,183	73	351,568	50

\*/ Total figures for 1950 and 1960 include data on other races. Estimates for 1970 are for whites and blacks only. Estimates were not given for other races.

SOURCES: U.S. Census of Population: 1950. Vol. II, Characteristics of the Population, Pt. 25, Missouri.

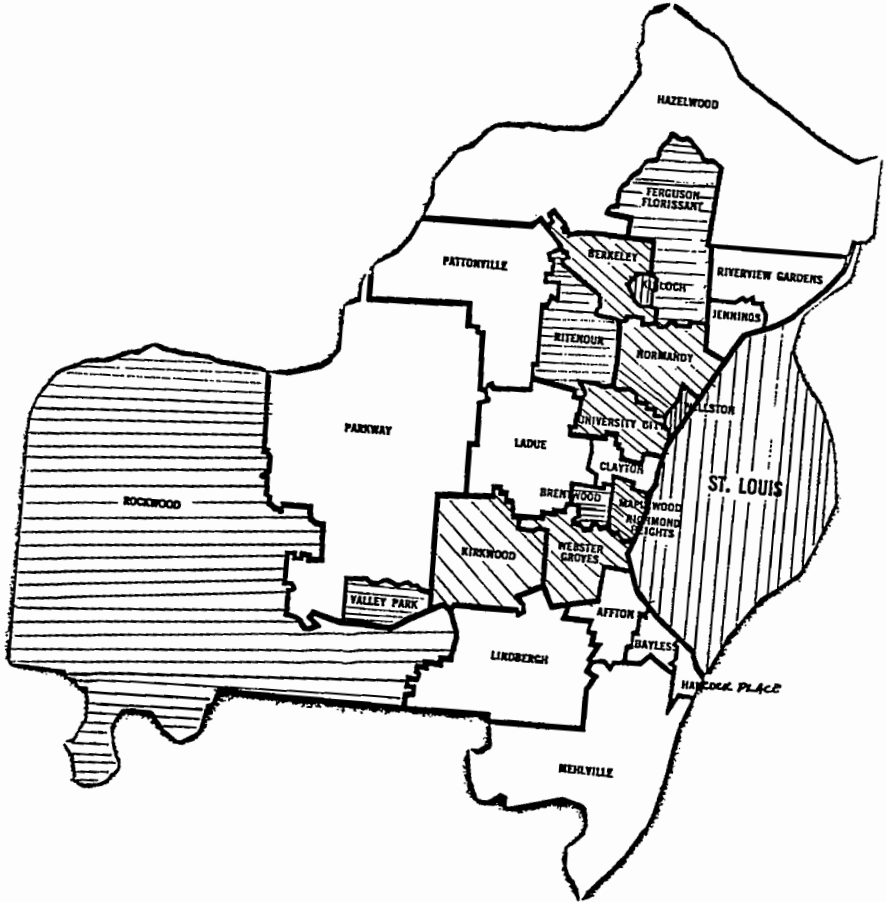
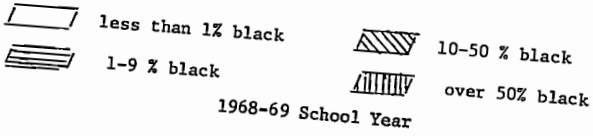
U.S. Census of Population and Housing: 1960. Census Tracts, Final Report FHC(1)-131.

Southwestern Bell Telephone Company, St. Louis Scorecard section I/2 (Sept. 1969).

APPENDIX B

ST. LOUIS CITY AND ST. LOUIS COUNTY

SCHOOL DISTRICTS



## APPENDIX C

## ST. LOUIS COUNTY SCHOOL DISTRICTS

<u>DISTRICT</u>	PERCENT	TOTAL	PERCENT
	BLACK	ENROLLMENT	BLACK
	<u>1965-66</u> <u>1/</u>	<u>1968-69</u> <u>2/</u>	<u>1968-69</u> <u>3/</u>
Kinloch	100.0	1,432	100.0
Wellston	47.0	2,641	90.0 <u>4/</u>
Maplewood-Richmond	12.0	3,082	15.4
Webster Groves	10.0	8,452	10.8
Kirkwood	9.3	10,159	10.2
Berkeley	7.6	5,343	12.5
University City	3.0	7,850	22.7
Brentwood	3.2	1,863	6.6 <u>4/</u>
Normandy	2.0	8,844	13.5
Ritenour	2.0	13,980	3.0
Valley Park	2.0	1,076	2.4
Rockwood	1.4	7,538	1.4
Ferguson-Florissant	1.2	18,966	1.3
Clayton	0.5	2,444	0.7
Lindbergh	0.3	11,505	0.2
Parkway	0.2	16,029	0.1
Bayless	0.1	2,859	0.03
Hazelwood	0.1	21,267	0.4
Pattonville	0.04	11,554	0.6
Mehlville	0.03	10,144	0.01
Hancock Place		2,372	0
Jennings	Specific figures	3,098	0.2
Affton	not available	4,403	0
Ladue	Basically all	6,319	0.7
Riverview Gardens	white.	9,735	0.3
City of St. Louis	60.0	115,593	63.5

1/ Data from unpublished report to the U. S. Commission on Civil Rights.

2/ Department of Health, Education and Welfare Data for Title VI School Compliance Survey, Fall 1968.

3/ Ibid

4/ Figures for 1969-70 school year.

## APPENDIX C CON'T

## ST. LOUIS COUNTY SCHOOL DISTRICTS

<u>DISTRICT</u>	<u>PER PUPIL EXPENDITURE 1968-69 1/</u>	<u>ASSESSED VALUE PER PUPIL 1/</u>	<u>TOTAL 1970 TAX LEVY 1/</u>
Kinloch	558 2/	2,848	4.97
Wellston	653	12,024	NA
Maplewood-Richard Hgts.	765	17,523	3.70
Webster Groves	770	13,200	5.20
Kirkwood	757	13,031	4.99
Berkeley	666	17,086	3.50
University City	922	16,469	5.42
Brentwood	971	23,527	3.91
Normandy	727	12,567	5.19 4/
Ritenour	632	10,296	4.30
Valley Park	577 3/	8,125	4.09
Rockwood	677	11,600	4.50
Ferguson-Florissant	637	9,287	5.17
Clayton	1,427	43,785	3.60
Lindbergh	697	13,343	3.95
Parkway	666	11,181	5.57
Bayless	612	11,916	3.69
Hazelwood	663	10,978	5.22
Pattonville	700	13,238	4.43
Mehlville	636	12,377	4.17
Hancock Place	593	11,173	4.20
Jennings	915	21,471	3.82
Affton	842	17,233	4.37
Ladue	1,082	26,005	4.05
Riverview Gardens	634	10,828	4.46
City of St. Louis	675	18,078	2.86

- 
- 1/ Southwestern Bell Telephone Company, St. Louis Scorecard, section IX/7 (Sept. 1969).
- 2/ I. G. Vossbrink, Supt., 18th Annual Report of the St. Louis County Public Schools, 1968-69 (Oct. 1, 1969).
- 3/ Telephone interview, Superintendent's Office, Valley Park School District, St. Louis County, Mo., Jan. 5, 1970.
- 4/ Telephone interview, Superintendent's Office, Normandy School District, St. Louis County, Mo., Jan. 5, 1970.

## APPENDIX D

## ST. LOUIS COUNTY SCHOOLS OVER 90 PERCENT BLACK 1968-69

<u>DISTRICT</u>	<u>SCHOOL</u>	<u>NO. OF BLACK STUDENTS</u>	<u>PERCENT BLACK</u>
Berkeley	Smith School	185	98.4
Kinloch	John F. Kennedy Junior High	223	100.0
	Dunbar	426	100.0
	Kinloch Elementary	463	100.0
	Kinloch High School	320	100.0
Kirkwood	Turner Elementary	324	100.0
Ritenour	Elmwood Elementary	80	100.0
	TOTAL	2,021	

NOTE: The Wellston School District is not included. School enrollment by school was not available for 1968-69. However, for the 1969-70 school year, 90 percent of the enrollment is black, an indication that several schools are likely to have been over 90 percent black in the 1968-69 school year.

SOURCE: Department of Health, Education, and Welfare Data for Title VI School Compliance Survey, Fall 1968.

## APPENDIX E

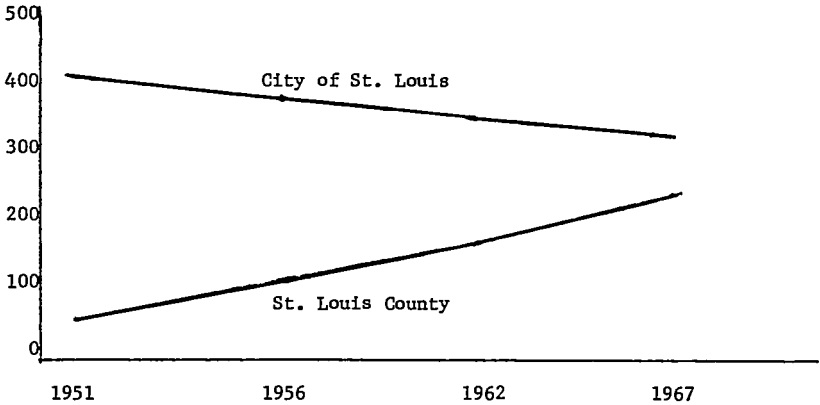
## ST LOUIS COUNTY

<u>96 MUNICIPALITIES</u>	<u>1960 POPULATION</u>		
Arbor Terrace	1,225	Ladue	9,466
Ballwin	5,710	Lakeshire	487
Bella Villa	779	MacKenzie	283
Bellefontaine Neighbors	13,650	Manchester	2,021
Bellrive	314	Maplewood	12,552
Bel-Nor	2,388	Margona Village	320
Bel-Ridge	4,395	Marlborough	650
Berdell Hills	533	Mary Ridge	631
Berkeley	18,676	Meadowbrook Downs	659
Beverley Hills	849	Moline Acres	3,733
Breckenridge Hills	6,299	Normandy	4,452
Brentwood	12,250	Northwoods	4,701
Bridgeton	7,820	Norwood Court	186
Bridgeton Terrace	625	Oakland	1,552
Calverton Park	1,714	Olivette	8,257
Champ	50	Overland	22,763
Charlack	1,493	Pagedale	5,106
Clarkson Valley	137	Pasadena Hills	1,315
Clayton	15,245	Pasadena Park	680
Cool Valley	1,492	Peerless Park	99
Country Club Hills	1,763	Pine Lawn	5,943
Country Life Acres	66	Richmond Heights	15,622
Crestwood	11,106	Riverview	3,706
Creve Coeur	5,122	Rock Hill	6,523
Crystal Lake Park	307	St. Ann	15,654
Dellwood	4,720	St. George	1,323
Des Peres	4,362	St. John	7,342
Edmundson	1,428	Schuermann Heights	288
Ellisville	2,732	Shrewsbury	4,730
Elmdale Village	712	Sunset Hills	3,525
Eureka	1,134	Sycamore Hills	942
Fenton	1,059	Times Beach	986
Ferguson	22,952	Town and Country	1,440
Flor dell Hills	1,119	Twin Oaks	206
Florissant	38,166	University City	51,249
Frontenac	3,089	Uplands Park	549
Glendale	7,048	Valley Park	3,452
Glen Echo Park	333	Velda	524
Goodfellow Terrace	824	Vinita Park	2,204
Grantwood	676	Velda Village Hills	1,365
Greendale	1,107	Vinita Terrace	382
Hanley Hills	3,308	Warson Woods	1,746
Hazelwood	6,045	Webster Groves	28,990
Hillsdale	2,788	Wellston	7,979
Huntleigh	375	Westwood	291
Jennings	19,965	Wilbur	684
Kinloch	6,501	Winchester	1,299
Kirkwood	29,421	Woodson Terrace	6,048

## APPENDIX F

EMPLOYMENT GROWTH

Thousands of Employees



St. Louis County  
1951 - 43,621

1956 - 91,675

1962 - 128,699

1967 - 218,009

St. Louis City  
1951 - 419,813

1956 - 381,626

1962 - 355,739

1967 - 337,067

Data for the following types of employment covered in whole or in part by the Social Security Program are excluded from tabulation: Government employees, self-employed persons, farm workers, and domestic service workers reported separately. Also, railroad employment subject to the Railroad Retirement Act and employment on ocean-borne vessels are not included.

SOURCE: U.S. Bureau of the Census, County Business Patterns, West North Central States. Missouri CPB-67-27 (1967) at 86 and 92; Id (1962) at 227, 232; Id (1956) at 270, 272; Id (1951) at 111, 113.



APPENDIX G  
NUMBER OF EMPLOYEES BY INDUSTRY  
ST. LOUIS COUNTY

	<u>1951</u>	<u>1956</u>	<u>1959</u>	<u>1962</u>	<u>1967</u>	<u>Percent Increase 1951-1967</u>
Agricultural Services, Forestry, Fisheries	480	477	340	377	811	68.9
Mining	335	367	461	548	484	44.5
Manufacturing	18,183	42,569	54,570	53,237	94,553	420.0
Contract Construction	4,693	9,056	8,892	9,411	14,047	199.3
Transportation and Other Public Utilities	2,804	7,196	8,218	5,393	6,404	128.4
Wholesale Trade	853	3,159	6,567	6,270	10,935	1181.9
Retail Trade	9,650	16,986	25,566	30,567	46,452	381.4
Finance, Insurance, and Real Estate	2,456	4,412	6,727	7,359	12,079	391.8
Services	3,921	7,211	10,690	14,752	31,817	711.5
Unclassified	241	342	579	785	427	
TOTAL	43,621	91,675	122,610	128,699	218,009	399.8

SOURCE: U.S. Bureau of the Census, County Business Patterns, *supra* APPENDIX F: (1967) at 86-92; (1962) at 227-32; (1959) at 201-05; (1956) at 270-73; (1951) at 111-13.

## APPENDIX H

## NUMBER OF EMPLOYEES BY INDUSTRY

	CITY OF ST. LOUIS					Percent Increase 1951-1967
	<u>1951</u>	<u>1956</u>	<u>1959</u>	<u>1962</u>	<u>1967</u>	
Agricultural Services, Forestry, Fisheries	368	220	385	251	124	-66.3
Mining	651	615	580	607	723	11.0
Manufacturing	187,338	165,191	141,102	138,941	137,984	-26.3
Contract Construction	16,635	16,179	14,163	12,549	17,286	3.9
Transportation and Other Public Utilities	29,199	28,417	25,701	27,140	32,840	12.5
Wholesale Trade	45,867	44,327	38,821	37,434	36,188	-21.1
Retail Trade	76,036	60,570	54,099	48,615	50,943	-33.0
Finance, Insurance, and Real Estate	24,262	26,880	24,921	26,646	27,320	12.6
Services	38,445	38,080	56,414	62,746	73,047	90.0
Unclassified	1,012	1,147	973	810	612	
TOTAL	419,813	381,626	357,159	355,739	337,067	-19.7

SOURCE: U.S. Bureau of the Census, County Business Patterns, *supra* APPENDIX F: (1967) at 92-100; (1962) at 232-39; (1959) at 205-212; (1956) at 270-75; (1951) at 113-16.

## APPENDIX I

OCCUPATION DISTRIBUTION OF EMPLOYED PERSONS 14 YEARS OLD AND OVER, 1960

OCCUPATION	ST. LOUIS CITY		ST. LOUIS COUNTY	
	White	Nonwhite	White	Nonwhite
Professional, Technical and Kindred Workers	9.2	5.8	15.0	6.8
Managers, Officials, Proprietors, Including Farm	6.1	1.5	12.2	1.8
Clerical and Kindred Workers	21.3	8.4	18.5	6.0
Sales Workers	7.3	1.8	11.3	1.4
Craftsmen, Foremen, and Kindred Workers	13.1	4.8	15.7	5.6
Operatives and Kindred Workers	22.4	18.4	13.7	13.7
Private Household Workers	0.7	9.7	0.9	21.1
Service Workers, Excluding Private Household	8.2	22.0	5.3	19.4
Laborers, Except Mine	3.8	11.9	2.5	17.3
Occupation Not Reported	7.7	15.7	4.8	6.7

SOURCE: Computations based on information from: U.S. Census of Population and Housing: 1960. Census Tracts. Final Report PHC(1)-131, Tables P-3 and P-4.

*Exhibit No. 8*ST. LOUIS, MISSOURI, PLANTEMPLOYEES OF MALLINCKRODT CHEMICAL WORKSMARCH 1969

<u>Employment Category</u>	<u>Total Employed</u>	<u>Number of black persons</u>	<u>Percent of total</u>
Salaried	873	30	3.4
Professional	612	8	1.3
Clerical	261	22	8.4
<hr/>			
Hourly	735	68	9.2
Skilled	108	2	1.8
Semi-skilled	514	54	10.5
Unskilled	113	12	9.9
<hr/>			
Total	1,608	98	6.1

\*Data compiled from EEO-1 supplied by Mallinckrodt Chemical Works.

*Exhibit No. 9*

Facts About the Training Programs at Chrysler and Bemis Bag  
Facilities Located in Fenton, Missouri\*

	Bemis Bag	Chrysler
Maximum number of trainees at any one time	4	60
Number of Trainees Since Beginning of Contract	7	616
Number of Complete Training	1	402
On the Job Retention	1	156
Pay in Training	\$1.89 per hour	\$2.50 per hr. tax free
On the Job Pay	\$1.89 - 2.10 per hour	\$3.67 per hour

\*Data supplied to the Commission staff by the companies for period ending January, 1970.

*Exhibit No. 10*

Personnel Breakdown  
 Chrysler Truck Plant  
 Fenton, Missouri

July 1969

	<u>Total</u>	<u>Black</u>	<u>Other Minorities</u>
Officials and Managers	118	3	0
Professional	43	0	1
Technicians	20	1	0
Salaried and Clerical	90	7	0
Craftmen (Skilled)	95	3	
Operatives (Semi-skilled)	1,060	173	3
Labor (Unskilled)	15	0	0
Service Workers	28	7	0
Total	<u>1,469</u>	<u>194</u>	<u>4</u>

*Exhibit No. 11*

October 1, 1968

AFFIRMATIVE ACTION COMPLIANCE PROGRAM - DODGE TRUCK OPERATIONS

PLANT 2451 - TRUCK OPERATIONS OFFICE  
PLANT 2452 - WARREN TRUCK ASSEMBLY PLANT  
PLANT 2454 - MISSOURI TRUCK ASSEMBLY PLANT  
PLANT 2805 - TRUCK OPERATIONS

An Affirmative Action Compliance Program has been developed for all components of Dodge Truck Operations. The objectives of this program are to assure compliance with the Executive Order of the President #11246, which prohibits discrimination in employment because of race, color, religion, sex or national origin and requires affirmative action in hiring, promoting, recruiting, training and the like of minority group individuals. This program has been developed upon the identification and analysis of the deficiencies and problem areas inherent in minority employment, and contains affirmative courses of action in five primary personnel areas in order to further improve the availability of opportunities for the utilization of minority group personnel. These five areas are identified as Administration, Employment and Recruitment, Placement and Promotion, Training, and Salary Administration. The details of this program for each of these five areas are as follows:

Administration

1. An employee will be selected to be responsible for all aspects of the Affirmative Action Compliance Program for Dodge Truck Operations and will report directly to the Personnel Manager. His responsibilities will include the following:
  - A. Maintain the Affirmative Action Program by audit and monitor of selection, placement and promotion of minority employees by working with various applicable personnel activities and supervision to insure compliance with Corporate commitments and D.T.O.'s Affirmative Action Program. Assures D.T.O.'s suppliers/vendors and other outside

agencies of participation in the EEO Program by reviewing such contracts or other documentation that reveal their statements to this effect.

- B. Maintain current employment data on all minority and other applicable employees within Dodge Truck Operations and audit personnel records to assure equal treatment in hiring, promotions, merit increases and discipline practices. Monitor employment advertising, posters and agencies in order to assure compliance with Affirmative Action and EEO Programs.
- C. Assist Corporate and Government agencies as directed by supplying information, arranging interviews and aid in the administration aspect of investigations by these agencies. Provide any necessary documentation required such as internal incidents, declines and acceptances, transfers, promotions and employment data.
- D. Maintain liaison with Corporate pre-employment training programs representatives in order to maintain an awareness of these programs, objectives, plans, problems, and provide such assistance as required in resolving problems as related to Dodge Truck Operations.
- E. Establish and maintain communication channels between the Corporation, Government, Dodge Truck Operations and the minority community by attending internal meetings and conferences, committee meetings and personal consultations with employees as necessary.
- F. Coordinates, advises and consults with Labor and Employee Relations concerning minority and other applicable group employee relations in disciplinary problems.



- G. Represents Dodge Truck Operations, General Manager, Personnel Manager and/or other designated higher level management on Equal Employment Opportunity activities as required. Attend Pre-Contract Award review meetings as required.
- H. Provide such assistance as necessary in Corporate or Plant training programs to upgrade employees necessary to implement the overall objectives of the D.T.O. Affirmative Action Program.
- I. Compile, analyze and prepare the necessary data for input to the Corporation necessary for their preparation of Equal Employment Opportunity Employer Information Report, EEO-1; compile and maintain pertinent data from employment records in order to prepare monthly progress reports regarding minority group employment for submission to the Corporation or Government agencies as required.
- J. Accept, analyze and evaluate suggestions from minority employees that may assist in improving and maintaining the best possible attitudes, relations and mutual understanding of problems.
- K. Advise the Personnel Manager of any information received regarding possible unrest in the Plants of Dodge Truck Operations and the community in order that appropriate preventive and corrective action may be undertaken.

Employee Employment and Recruitment

- 1. In accordance with Corporate instructions a Corporate wide program will be initiated in the near future with respect to the review of all pre-employment tests used at D.T.O. for the purpose of establishing their reliability and validity as a tool for employee employment and recruitment selection.

2. Members of the Personnel Department will counsel all new employees during this probationary period with respect to adjustment to their new job, solution of personal problems and method to prepare themselves for better jobs by means of additional training and/or education for promotional opportunities.
3. Continued efforts will be made to establish additional contacts with various minority group organizations for the purpose of requesting their assistance in obtaining minority group applicants. This program may require the designated representative to visit these agencies in person to explain D.T.O.'s needs with respect to the various openings that are available or expected.
4. When advertising is necessary to obtain qualified candidates for our existing openings we shall continue to utilize the local minority group publications as well as the major newspapers. (With appropriate assurance of equal and fair employment opportunity statements.)
5. We have established and will maintain a close working relationship with the Corporate pre-employment training program representatives at this Plant for utilization of the "Hard Core Unemployables" as openings permit.
6. Will continue counselling of those personnel assigned to interview employment candidates to assure that no personal prejudice or bias is involved in the selection of those to be hired.

#### Employee Placement and Promotion

1. Establish a program for the identification of potential minority supervisors through the use of personal interviews, validated test batteries, supervisory recommendations and the employees' personal qualifications. (i.e.: education and experiences)

2. Establish a program to identify those employees whose qualifications appear to exceed those required for the job on which hired and as higher positions become available, assure that these employees are given appropriate consideration.
3. Inform minority employees as to the reasons for their not being selected for a promotional opportunity for which they had been considered and counsel them as to their deficiencies and when possible, recommend appropriate action to overcome these deficiencies.
4. Assure that promotions through seniority do not by-pass any employee for any reason other than the ability to do the job.
5. Inform the Salary Administration activity of any position which appears to have employment qualification requirements higher than what is actually needed to perform the duties involved.

#### Training and Development

1. Continue to encourage minority employees to participate in the Tuition Refund Program.
2. Continue to communicate both Corporate and locally developed Compliance programs to all affected D.T.O. management and supervisory personnel.
3. Reproduce and distribute pertinent information regarding compliance requirements to all appropriate management levels.
4. Continue to encourage all eligible minority employees to prepare for entry and participation in the Corporate Skilled Trade Apprenticeship Program.

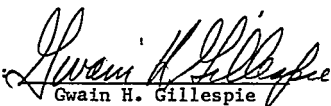
5. Audit and monitor both General Salary and Management appraisals to insure complete compliance.

#### Salary Administration

1. Assure that the education and experience requirements as stated on position and job descriptions are in line with the duties to be performed.
2. Assure that the job requirements as stated on requisitions for replacement or additional personnel are consistent with those in the position or job description.
3. Review with management those employees eligible for merit increase consideration to assure merit increases are being awarded indiscriminately based upon job performance.
4. Conduct job audits as requested in order to determine whether a re-evaluation of a job is necessary when there have been changes in the duties being performed.
5. Provides assistance to the Personnel Compliance Administrator with regard to job requirements and pay practices interpretations and clarifications; make available up-to-date salaried personnel records as required due to EEO Compliance matters and reviews.

Dodge Truck Operations Management will continue to monitor all aspects of this Affirmative Action Compliance Program to assure that all objectives continue to be met and will be positive in strengthening the program if and when circumstances warrant such action.

Concurrence:

  
Gwain H. Gillespie

  
C. G. Eschenbach

January 9, 1970

Mr. Othello Jones, Attorney  
U. S. Commission on Civil Rights  
Diplomat Motel  
433 N. Kingshighway  
St. Louis, Missouri 63108

Dear Mr. Jones:

As requested, a copy of our current Affirmative Action Program has been sent to you. As we explained to you, the Joint Reporting Committee has pushed back the effective date for submission of the annual EEO-1 report, therefore, preparation of the annual updating of the Affirmative Action Program for the Missouri Truck Plant must necessarily be delayed. The employment figures which are necessary for the EEO-1 report provide the basis for the analysis and projection features of the Affirmative Action Program. These figures, reflecting race and occupational classification are supplied by our centralized computer information system from our headquarters office in Detroit. However, there are positive programs contemplated which will be included in the new Affirmative Action Program in addition to those mentioned in the current plan.

These programs include the following:

1. The Plant Manager will meet with his supervisors and direct them to evaluate all of their Black employees for purposes of promotional consideration. This meeting will also serve as an opportunity for the Plant Manager to discuss with his supervisors the necessity of their compliance with corporate objectives in the area of equal employment opportunity. Such a meeting will be held periodically.
2. The Personnel Department will maintain an active inventory of promotable Black candidates. When openings occur these inventories will be referred to, making certain that all qualified candidates are considered.
3. The Training Administrator has begun to administer Part II of the Program "Understanding and Supervising the New Industrial Employee." (Part I was .

Mr. Othello Jones, Attorney  
U. S. Commission on Civil Rights

1/9/70

Page 2.

presented several months ago to all supervision.) This is a five hour sensitivity training program to be presented in five one hour sessions. Attendance is mandatory for all supervisors. Copies of both programs are enclosed.

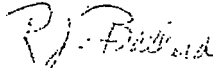
4. Efforts will be intensified to attract more Black candidates for employment. Present Black employees will be asked to refer people for consideration as openings permit. Attempts will be made to establish a rapport with churches, neighborhood action centers and other agencies operating within the Black neighborhoods. Every possible recruiting source will be utilized in an effort to more uniformly represent Blacks in our total work force. Toward this end a Black employee has recently been promoted to the position of Interviewer-Qualifier in the Personnel Office to give added impetus to this program.
5. A change in the selection process for upgrader candidates will be made so as to eliminate any factors which do not reflect the ability of an individual to do the job.
6. When it becomes necessary to recruit candidates for the apprenticeship program, special efforts will be made by supervision to encourage Black employees to enroll in the program.

At such time as our revised program is completed we will be happy to make a copy available to you if you so desire.

Since you have requested information as to the activities of our plant, I assume that you are also interested in the activities concerning equal employment of Chrysler Corporation as we are an integral part of and guided by all the policies and procedures of this Corporation.

Enclosed you will find two booklets--one entitled "From Poverty to Productivity" (a report on Chrysler Corporation's minority employment practices), and Wayfarer, a booklet published by Joseph V. Baker Associates.

Very truly yours,

  
R. J. Ballard

RJB:d1r



12 January 1970

Mr. Howard A. Glickstein, Staff Director  
United States Commission on Civil Rights  
Room 249  
The Diplomat Motel  
433 North Kingshighway Boulevard  
St. Louis, Missouri 63108

Dear Mr. Glickstein:

I hand you by messenger herewith two copies of a statement which  
McDonnell Douglas Corporation would like to be permitted to submit for  
the record at the Commission hearing in St. Louis.

Yours very truly,

A handwritten signature in dark ink, appearing to read "George S. Roudebush". The signature is written in a cursive style with some loops and flourishes.

George S. Roudebush  
Vice President-General Counsel

Enclosure

12 January 1970

Mr. Chairman and members of the Civil Rights Commission.

My name is Charles L. Windsor and I am director of Personnel Services for the McDonnell Douglas Corporation.

I am here in response to a subpoena issued by the Commission. I would like to outline briefly the historic and present employment policies of McDonnell Douglas, and I shall be glad to answer, to the best of my ability, any questions which the Commissioners or members of the Commission staff may have.

From its beginnings more than 30 years ago, McDonnell Aircraft, now a component of the McDonnell Douglas Corporation, has continuously offered employment opportunities, to the qualified, without discrimination because of race, creed, color or national origin.

Our leadership in this field has earned us praise from such organizations as the St. Louis Urban League and from Negro publications such as the St. Louis Argus, recognizing our impartiality in offering opportunities for meaningful employment to members of the black community in St. Louis.



In 1962, under President Kennedy, a voluntary organization made up of a number of companies including several aerospace companies formed what was called the President's Committee on Equal Employment Opportunity Plans for Progress. As you will recall, Plans for Progress was initially headed by then Vice President Lyndon B. Johnson and on February 7, 1962 our Board Chairman, James S. McDonnell personally signed a joint statement on a "Plan for Progress" with Vice President Johnson and the then Secretary of Labor Arthur Goldberg, pledging our participation. This pledge reiterated our position relative to pursuing actively the offer of employment opportunities to minority groups, to seek out through all employment sources, including public and private agencies, schools and colleges, minority group members for all job categories for which we hire including professional engineering positions, technical positions, administrative and clerical positions and shop work.

Under Plans for Progress, in 1965 our company took the lead in organizing a group of St. Louis business concerns to participate in the first

Vocational Guidance Institute, Plans for Progress, in St. Louis. Under the leadership of the General Chairman of the Steering Committee for the Vocational Guidance Institute - who was the Vice President-Personnel of the McDonnell Aircraft Corporation - some 12 companies joined in financing this effort. The Institute consisted of a four-week educational program for vocational guidance for high school teachers, high school principals and other key high school teachers -- all from predominantly Negro schools.

Its purpose was to demonstrate that there was in fact an opportunity for the black citizen in American enterprise and that education was the key to open the door to this opportunity. One half of the program consisted of vocational guidance instruction on the campus of Washington University St. Louis, and the other half involved plant visits and demonstrations of successful careers by black employes.

During a two-year period commencing in mid-1965, McDonnell required a massive personnel buildup on behalf of the F-4 Phantom program and this provided us our greatest opportunity to expand our employment.

During this period, we conducted a training program that was perhaps without parallel in the history of our industry. More than 6,000 black workers from the St. Louis community were included and received training for entry aircraft manufacturing jobs, which we refer to as "vestibule training". This training was done on our premises on non-production work but prepared the trainees for production jobs in such skills as sheetmetal structural assembly, electrical assembly, riveting, and as airplane mechanics and inspectors. All these trainees were paid while being taught. The training periods for each class ranged from four to six weeks.

Since the establishment of the National Alliance of Businessmen by President Johnson in January 1968 and Mr. McDonnell's appointment as a charter member of the Board of Directors of that organization, he has personally devoted increased time, effort and thought to this pressing national problem. He is now completing his second year as a member of the Board of the National Alliance of Businessmen and as Regional Chairman of Region VI which includes 10 states. As you know, this organization is

dedicated to the seeking out of the disadvantaged minority group member, the uneducated, the untrained, the real dropout from society and, after finding him, to attempt to rehabilitate him, train him and introduce him to productive and meaningful work. One thing we have learned in our NAB experience is that identification of the problem is simple but the solution is most complicated. I need hardly elaborate: You and I are both aware of the problem. Unfortunately for the impatient black, whose impatience is understandable, there is no fast, magic solution. Training and education, accompanied by employment practices that will enable motivation of the individual, seem to me, to be the long range solution.

Despite the reduction in our total work force to which I have already referred, we have, for the last two years, run a special Summer Training Employment Program (STEP). This unique effort, financed entirely by company funds, is intended to help disadvantaged youths from the ghetto and it has been most successful. These youngsters are paid "to come to school" on our premises where they learn sheetmetal structure assembly

and electrical assembly. The program also includes classroom work in Math, English, Personal Hygiene, Personal Finances, etc. During the shop portion of their training, each student builds his own metal tool box and at the end of the term, both the box and the hand tools used to assemble it are presented to the student. The electrical assembly phase of training culminates with each student assembling an AM/FM shortwave radio for which we buy all the parts and the student also gets to keep this.

Unfortunately, the aerospace industry suffers from an unavoidable succession of ups and downs. Due to a reduction in Phantom production and the cancellation of the Manned Orbiting Laboratory and Gemini B contracts, employment in our St. Louis facilities was declining despite our very best efforts. The resulting layoffs were administered in full compliance with our union contracts which require observance of seniority rights; and many of those we had to release were employed during the Phantom F-4 buildup period.

Last month, we were awarded the contract to design and build the

F-15 air superiority fighter for the United States Air Force and at that time Board Chairman McDonnell announced that the winning of the contract could be expected to stem the downward employment trend and certainly would have a stabilizing effect. We are, of course, very happy that this is so.

This concludes my comments on our traditional employment practices.

I shall be glad, as I have said, to respond to questions.

*Exhibit No. 14*

McDonnell Douglas Corporation  
1968 Annual Report

This exhibit has been retained in the Commission's files.

# F-15 Order McDonnell's Top Gain

By DAVID S. LEWIS  
President, McDonnell Douglas Corp.

The award of the Air Force F-15 fighter contract to McDonnell Douglas Corp. on Dec. 23 highlighted the substantial accomplishments of 1969.

The multibillion dollar contract assures that the McDonnell Aircraft Co. division, which will design and build the F-15 in its St. Louis plant, will continue as the leading producer of fighter aircraft in the Free World for many years to come. The F-15 contract assures also that a decline in employment in the McDonnell Douglas St. Louis facilities will be halted and the work force stabilized at approximately 33,000 for the foreseeable future.

Corporate earnings in 1969 showed a substantial increase over those of 1968, which had been a record for our company, even though sales somewhat lower. The funded backlog at year's end was approximately 60 per cent commercial, 40 per cent Government business. All McDonnell Douglas divisions continued on a profitable basis through the year.

As we move into 1970, existing programs for commercial and military aircraft, aerospace vehicles and support services, plus the advent of new program now in the offing give us a position of balanced strength and encourage conservative confidence in our prospects for continuing corporate success.

#### Accord On British Craft

On Dec. 22, McDonnell Douglas and Hawker Siddeley Aviation Ltd., a subsidiary of the British Hawker Siddeley Group, announced an agreement under which the Hawker Siddeley Harrier, a vertical take-off and landing fighter could be built in this country by McDonnell Douglas.

The aircraft is now operational with the Royal Air Force and the Royal Navy where it has shown great promise. The United States Marines have ordered an initial quantity of 12 Harriers, which will be built in England. In the event that the performance of the Harrier fulfills its promise, substantial additional procurement is indicated and these aircraft will be built by McDonnell Douglas.

#### Phantom Output Continues

Production of the highly successful F-4 Phantom continues in St. Louis at a reduced delivery rate. Nearly 3700 Phantoms have been delivered. The scheduled Phantom deliveries to the United Kingdom have been completed, and is being supplanted by a similar program for West Germany. Current U.S. Government planning contemplates that F-4 production will continue at least to the end of 1974 or until the F-15 and the new Navy F-14A are operational.

In the year, McDonnell Douglas was active in the refinement of an airline collision avoidance system, based on technology developed by the company in St. Louis. In November, McDonnell Douglas participated in tests conducted by the Air Transport Association, offering three collision avoidance systems for evaluation along with equipment bases on our concepts provided by two competing companies. The results of the tests were encouraging and the Air Transport Association will submit advanced specifications for a collision avoidance system to the airlines next spring. McDonnell Douglas has undertaken a National Aeronautics and Space Agency study contract to define a similar system for use by the light plane operators.

#### At Douglas Division

At the Douglas Aircraft Co. division in Long Beach, Calif., the program for the Navy A-4 Skyhawk, which has been in production since 1954, was further extended by new orders for export, for two-place training models and for the improved A-4M model for Marine Corps' tactical support operations. Current government planning would also continue production of the A-4M and a trainer version of the Skyhawk through 1974.

Other military work at Long Beach included production of the C-9A aeromedical airlift transport for the Military Airlift Command of the Air Force, which is located at Scott Air Force Base, Ill. Douglas is one of two competing for the airborne warning and control system program of the Air Force.

McDonnell Douglas now has contracts for 201 of the three versions of the DC-10 from 10 airlines.

Final assembly of the DC-10 will be done at existing and new facilities at Long Beach. Other McDonnell Douglas divisions at St. Louis, Tulsa, Oklahoma, and Toronto, Canada are producing major components and sub-assemblies.

#### DC-8s, DC-9s

Production of the DC-8 and DC-9 jet transports continued at a high level in 1969, although delivery rates were somewhat below those of the preceding year. All aircraft were completed on or ahead of schedule.

McDonnell Douglas Astronautics Co., a division, added to its space accomplishments with significant participation the Apollo 11 mission which placed men on the moon for the first time. It was the S-IVB third stage of Saturn V, which hurled the astronauts toward moon orbit after first boosting them into earth orbit. The S-IVB performed with equal success during the Apollo 12 mission.

At mid-year the astronautics company suffered an unexpected setback when the government canceled the contract for the manned orbiting laboratory which would have been produced at the Huntington Beach, Calif., facility and Gemini B component which was scheduled to be produced at St. Louis. The cancellation of the manned orbiting laboratory resulted in an appreciable reduction in the work force at both facilities.



# Long Preparation Paid Off For McDonnell On The F-15

By AL DELUGACH  
Of the Post-Dispatch Staff  
FIRST OF TWO ARTICLES

A HUMORIST once began an essay on how to grow asparagus by warning of an imposing hurdle: You have to start two years ago.

McDonnell Douglas Corp. followed such a course in successfully competing for the biggest single Air Force contract it has ever won, for the new F-15 fighter.

A couple of years before the Government got down to brass tacks on planning an "air superiority fighter" to meet Russian advancements, the St. Louis builder of the "fabulous Phantom" F-4 was doing groundwork in anticipation of the next generation of military aircraft.

And, 2,500,000 man-hours later, on Dec. 23, James S. McDonnell's "teammates" saw their grueling task crowned with victory.

Behind it is a story of men working long hours and of families who shared the inconveniences of working weekends, holidays and nights. It is a story, too, of the planning, creating, testing and pulling together of complex technological elements to achieve a winning program.

BEYOND THIS, there is a story of national importance in the control of military costs and the avoidance of political and sectional squabbles over defense contracts.

The Department of Defense has taken a battering in the last seven years over Air Force contracts:

First, there was the furor about the TFX (F-111) swing-wing fighter-bomber. Bitter public debate and a congressional investigation ensued over whether the award to General Dynamics Corp. of Texas had been made solely on the merits or whether political considerations had primacy. Publicity over the F-111's technical troubles and huge cost overruns has not abated.

Then, more recently, there was the controversy over the multibillion-dollar cost escalation of the C-5 supertransport.

Some painful and costly lessons appear to have been learned from these misadventures.

So far, the award to McDonnell of a program expected eventually to reach a cost of about 8 billion dollars shows promise of avoiding the earlier pitfalls.

THE AIR FORCE reports that 500 military and civilian experts took part in evaluating the proposals of the three contractors competing for the F-15. Others entering bids were North American Rockwell Corp. of Los Angeles and Fairchild Hiller Corp. of Germantown, Md.

McDonnell not only submitted the lowest bid, according to the Air Force, but also was evaluated No. 1 in all four basic areas of comparison—technical, operational, managerial and logistical.

In contrast to the TFX imbroglio, top civilian and military leaders reportedly were in accord on the winning F-15 proposal. And to date no voice has been heard challenging the decision.

The contract for the F-15 departs from the old pattern by containing built-in resistance to cost overrun.

The contractor must meet successive "development milestones" within cost

limits before the Government will authorize it to proceed with production of hundreds of aircraft.

In addition, and to an unprecedented degree, there has been exhaustive testing of design concepts and components. McDonnell's board chairman, "Mr. Mac," says that the practical success of the plane is assured even before construction of 20 test aircraft begins.

AT A press conference in Washington the day after the contract was announced, Robert G. Seamans Jr., Secretary of the Air Force, displayed optimism about the F-15, both as to the product and the cost.

"Starting several years ago," he said, "conceptual studies were carried out by both Government and industry teams. More than 500 studies took place, and as a result of this we believe that in the F-15 we have the right blending of requirements to do the job."

The job, he emphasized, is to produce a fighter that will outmaneuver the new family of high-performance fighters displayed in the July 1967 Moscow Air Show.

"We believe that the procedures we are setting up for the F-15 are going to be the hellwether for future procurements," Seamans said. "We think we are making some major improvements in the way we are going about it."

Brig. Gen. Benjamin Bellis, F-15 program director for the Air Force, has given a detailed description of the way the competition was handled.

MORE THAN once he said that the Air Force had taken into account lessons learned from other major programs.

Over a period of about six months since the proposals of the three competing contractors were submitted last June, about 500 selected persons took part in reviewing and evaluating them.

"These proposals were not evaluated as single proposals, but with respect to 87 separate factors," Gen. Bellis revealed. "The basic evaluation scores were created by these separate evaluation groups."

A source selection advisory board, of which he was chairman, presented the data to a source selection advisory council. The data dealt with the basic areas of technology, operations, management and logistics. Chairmen for each of the areas made separate presentations.

The council, in executive session, then applied "weighting factors" to the raw data. These weighting factors, Gen. Bellis explained, were created early last June prior to receipt of the three proposals.

"THESE WEIGHTS have never been changed and they were never made available to the members of the source selection evaluation board," Gen. Bellis said.

He said also that Seamans received both the written and oral presentations of the board's basic raw data and the council's written findings. No recommendation was made by either body, Bellis said, continuing:

"However, it should be noted that the commanders of the Air Force Logistics Command, the Tactical Air Command, the Air Force Systems Command and the Air Council and the Chief of Staff independently reached the same conclusion as Secretary Seamans with respect to the proposal to be selected."

He noted that McDonnell was evaluated No. 1 in all categories, as well as having the lowest price.

The contract will have cost-plus-incentive.

TURN TO PAGE 3, COL. 1

# McDonnell's Winning F-15 Effort

## ■ FROM PAGE ONE

tive-fee provisions for the engineering and design stages. But fixed-price-plus-incentive-fee will be in effect for the bulk of the expenditures: test aircraft, initial production and subsequent production option quantities.

DONALD MALVERN, McDonnell vice president and F-15 general manager, told the Post-Dispatch that the company had no dealings in Washington on the project.

The only contacts with the Air Force were through its systems program office in Dayton, O., he said.

"They did a great job of being very fair with all the contenders of the program," Malvern said. "No information was passed out unless it was passed out to all three competitors. They kept the ground rules consistent, so the direction was well understood by the competitors."

He complimented the Air Force for a "technically oriented, fair competition decided on merit," and then admitted with a grin, "Of course, that's easy for a winner to say."

Asked about an expression of confidence a few weeks earlier by an official of North American Rockwell that it would get the contract, Malvern quipped: "We were confidently scared."

Actually, the McDonnell plant had long been rife with graphic expressions of self-assurance about the F-15 competition.

The F-15 team, which ranged from

about 200 to about 1000 employees between 1967 and 1969, was spurred with bulletin board signs, bumper stickers and the like. They bore slogans such as "Win F-15," "Think F-15" and "F-15 Is a Way of Life."

On one wall, in the midst of pictures of some 14 McDonnell aircraft models, was a cutout of an eagle clutching a worker's gauntlet with the message: "Reserved for F-15."

In such ways the entire McDonnell force, now about 33,000 workers, was made aware of the high priority put on the project by Sanford N. McDonnell, company president, who is a nephew of the founder and board chairman, "Mr. Mac."

Malvern, 43 years old, a World War II P-51 pilot who has been with McDonnell 23 years, credited a "lot of people all over the company" with helping the F-15 task force prepare for one of the most important contracts it has ever received.

One measure of the work that goes into such a project is that 37,000 pages were in the proposal submitted to the Air Force.

THE 2,500,000 man-hours estimated to have been spent by McDonnell people includes preparatory work as far back as 1965. This work, Malvern said, was begun without knowing what specifications the Government would propose.

"It was a matter of updating our data from the Phantom technology and being

ready," he said. "We've had a team in continuous being since 1967 just on this business."

After a three-year study aimed at defining the characteristics required of an air-superiority fighter, the Air Force issued requests for proposals for the F-15 to eight aircraft companies in September 1968.

In December 1968 three companies were selected to proceed with "contract definition," the final, full-dress phase of the competition. Much of this was funded by the Air Force, which has estimated it spent about \$75,000,000 on F-15 development.

However, James S. McDonnell said that of \$30,000,000 spent by his company in the F-15 project, \$10,000,000 "was our own money." He added, "It's a blue chip game."

**TOMORROW:** Anatomy of an airplane

*Exhibit No. 17*

AFFIRMATIVE ACTION PROGRAM

MCDONNELL AIRCRAFT COMPANY

MCDONNELL DOUGLAS ASTRONAUTICS COMPANY - EASTERN DIVISION

MCDONNELL AUTOMATION COMPANY

NOTE: This Program shall be followed at all facilities wherever operated by the above listed Companies, components of the McDonnell Douglas Corporation of St. Louis, Missouri. The word "Company" as used hereinafter shall refer to the above components of the McDonnell Douglas Corporation.

12 December 1969

## I. POLICY

- A. It is the policy of the Company, and has been since the inception of the Company, to be an Equal Opportunity Employer.
- B. To continue implementation of this policy, we shall act affirmatively to insure Equal Employment Opportunities to all applicants and to all employees on the basis of individual qualifications, regardless of race, color, religion, national origin, sex or age; except where sex or age is a bona fide occupational qualification.

## II. ASSIGNMENT OF RESPONSIBILITY

- A. The Director - Personnel, McDonnell Aircraft Company (MCAIR), will:
  - 1. Administer policies to insure compliance with the spirit as well as the intent of equal employment opportunity by the components which make up the Company.
  - 2. Assist, counsel and advise Company management in carrying out the full intent of this policy.
  - 3. Review periodically the practices and programs of the Company.
- B. Under the guidance of the Director - Personnel, MCAIR, the Manager - Personnel Services, MCAIR, will:
  - 1. Communicate and monitor the provisions of the Company's basic policy to insure fair and equal employment opportunities to all persons in personnel matters relating to recruitment advertising, selection, hiring, placement, training, upgrading, demotion and transfer, recreation, layoff and termination, rates of pay and all other forms of compensation.

(2)

2. Insure compliance with the letter and intent of contractual provisions relating to equal employment opportunity which may from time to time be included in United States Government procurement contracts.
3. Review program activities which have as their objective the training of members of minority groups to fill professional, technical, administrative and other assignments and to encourage employees to take full advantage of such programs.

### III. REAFFIRMATION OF POLICY

- A. This Affirmative Action Program will be distributed to all salaried employees with management responsibilities and will be included as an agenda item at least once annually at Company staff meetings held by Presidents, Vice Presidents, Divisional Heads, Sub-Divisional Heads, Program Managers, Department Heads, Superintendents, General Foremen, and at other management meetings as deemed appropriate.
- B. At each employing location, Government Equal Employment Opportunity posters and the Company Equal Employment Opportunity policy shall continue to be displayed in conspicuous places so that all employees, visitors and applicants may be informed of the Company's Program.
- C. On an annual basis, the Company will continue to notify all recruitment sources, and unions, in writing, of its continuing commitment to the Company's Equal Employment Opportunity policy.
- D. The Company will continue to place employment advertising in minority group newspapers. Other specialized regional and national minority group media will be used where it is appropriate. In all advertising for job openings in newspapers or other advertising media, the statement "Equal Opportunity Employer" shall be included as in the past.

(3)

- E. Company personnel will continue to recruit on-site in predominantly minority areas, to meet with minority group representatives to inform them of available employment opportunities and to counsel with them regarding means of individual preparation to qualify for Company employment.
- F. The Company will continue its active and continuing policy of cooperation and counsel with secondary schools and colleges of predominantly minority enrollment. Activities in this area will include, but not necessarily be limited to:
1. On-site recruitment
  2. Providing speakers on Career Days
  3. Providing visual displays and Company representatives at Career Fairs
  4. Conducting plant tours for students
  5. Counseling with the teaching staffs
  6. Providing summer employment for disadvantaged youth

#### IV. HIRING AND TRANSFER PROCEDURES

- A. Periodic meetings will be held with supervisors, employment and transfer personnel responsible for interviewing, hiring, training, and/or transferring activities in order to reaffirm the Company's Equal Employment Opportunity policy, and to discuss the latest changes in governmental policies, rules, and regulations. The first such meeting next year will be held during the first quarter and will be expanded to a one day seminar. In this seminar we will in part utilize a lecture presentation by a professional from the Urban League or another appropriate outside agency, expert on the problems of minority personnel in industry.

(4)

- B. Career counseling by our Personnel Transfer Administrators and Training and Education Counselors will continue, with special emphasis placed on enhancing the promotional opportunities of minority employees.
- C. Consideration of qualified minority applicants from outside and within the Company will be given for placement in all available job openings.
- D. The use of tests is a proper pre-employment or pre-transfer tool, and should be considered as one source of information in the selection process; however, as in the past, only in the framework of the following ground rules:
  - 1. Standardized tests will be used; that is, tests which have been designed and developed by professional personnel.
  - 2. Tests will be job related and validated.
  - 3. Test scores will be treated as confidential information.
  - 4. The same cut-off scores will apply to all applicants tested for the same job.
  - 5. Tests will not be the sole or major factor in selection of job applicants or in the upgrading and promotion of employees.
  - 6. Care will be taken regarding any new tests to see that such tests and criteria are valid for the position, uniformly applied and free of racial bias.
  - 7. Test examiners will continue to be thoroughly trained and familiar with all aspects of test administration and scoring.

#### V. TRAINING

- A. The Manager - Training, MCAIR, will review all inplant training programs to continue to insure that minority group members have an equal opportunity to participate in these programs based on merit, ability, and capability.

(5)

When training programs are designed for new employees, minority candidates will continue to be recruited actively. The Company will continue aggressive action to encourage minority group employees to participate actively in training programs when the training is intended to upgrade present employees.

- B. A continuing, year-round effort will be made to emphasize further the Company's Equal Employment Opportunity policy by including the subject in all training sessions for new supervisors.
- C. The Company will continue to emphasize its Equal Employment Opportunity policy in its week-long management seminars; Elements of Supervision for first line supervisors, Effective Leadership Conference for foreman-level supervision, and Management Action Conference for managers who are general foreman-level and above. During the calendar year 1968, 501 management personnel attended these seminars; 433 management personnel participated from January through October of 1969; and based on our present firm business, calendar 1970 participation will, of necessity, be reduced but should approximate 250-300 attendees. In order to instill in all seminar participants a more empathic attitude toward minority personnel, approximately ninety percent of the time is devoted to subjects concerning human relations and effective treatment and motivation of employes in industry. Listed below are some of the subjects included in these seminars:

- Perception and Sensitivity
- Human Needs and Motivation
- The Role of Managerial Assumptions in Managing People
- Sources of Psychological Stress in Organizations



(6)

- Communications
- Morale
- The Nature of Work
- Emotional Styles
- Motivation Hygiene Theory
- Psychological Defense Mechanisms

The Personnel Research & Development Department currently is making a study to determine if an even greater percentage of the course content of these management seminars can be devoted to subjects related to our Equal Employment Opportunity policy.

#### VI. ADMINISTRATIVE CONTROL - PROGRAM EVALUATION

- A. The Manager - Personnel Services, MCAIR, will be responsible for the preparation of monthly reports to the Director - Personnel, MCAIR, and to the Corporate Director - Personnel Services, McDonnell Douglas Corporation, on matters concerning equal employment, recruiting, hiring, training, upgrading, promotion and transfer.
- B. The Manager - Personnel Services, MCAIR, will determine the effectiveness of hiring practices, including recruitment sources and testing to determine whether equal employment opportunity is being afforded in all classifications by analyzing the above reports which will include:
  - 1. Distribution of minority personnel versus others by Division and Department.
  - 2. Distribution of male versus female employees by Division and Department.

(7)

3. Distribution by job classification within each Department giving the above comparisons, i. e., minority group personnel versus others, male versus female.
- C. If the above analysis indicates remedial efforts are necessary, the Manager - Personnel Services, MCAIR, will be responsible for seeing that management action is taken in a timely manner, and will report the results of such remedial action to the Director - Personnel, MCAIR, and to the Corporate Director - Personnel Services, McDonnell Douglas Corporation.

## VII. GOALS AND OBJECTIVES

- A. The Company reaffirms its dedication to the proposition that every individual should have an opportunity to work at a job for which he or she qualifies without regard to race, creed, color, national origin, sex, or age. This dedication finds expression in our commitment to hire, train, and counsel underqualified minority group peoples to prepare them whenever possible for upgrading and promotion. It is an elementary and obvious fact, however, that the Company's ability to translate its dedication and commitment into action that is quantitatively impressive is related directly to its present and prospective level of business. Unfortunately, from 2 January 1969 to date, the Company has been under the unhappy necessity of reducing its manpower by 2,720 jobs. Projections for calendar 1970 indicate a continuation and acceleration of this downward trend. The Company is aggressive in its pursuit of new contracts -- notably for the U. S. Air Force F-15 fighter aircraft -- and success in these endeavors will be reflected automatically in an

(8)

increase in our ability to offer employment to minority group peoples. Meanwhile, however, we must act on the facts at hand.

Given the relentless facts of this situation, the Company will, as the most practicable means of evidencing its commitment, place the highest priority on its internal transfer function which will be charged with the responsibility of protecting as many minority group jobs as possible. Transfers in lieu of layoff will be accomplished in compliance with the Company's affirmative action pledge. Our Company is aware of its responsibility to the community and the nation and we recognize that some minority group members continue to suffer in certain areas from economic and social frustrations associated with discrimination, unemployment, and underemployment. The Company will continue to strive for a racially balanced workforce with special emphasis placed upon officials and managers, professionals, technical, and clerical positions. It is our ultimate goal to have minority representation in every department in a broad spectrum of job classifications. Special emphasis will be placed upon the following categories:

1. Periodic re-evaluation and counseling of minority group employees who are seeking transfers to positions requiring higher skill and responsibility levels.
2. Periodic analysis of minority group representation by department and intensified efforts to refer, recruit, hire, and transfer minority group individuals into departments with below average representation.

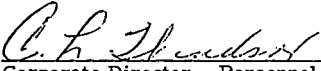
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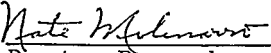
3. Intensified efforts to communicate to all levels of supervision Corporate policies with respect to employment and underemployment of minority group individuals.
4. Particular effort to increase minority group representation in positions requiring higher levels of responsibility.


#### VIII. COMMUNITY ACTION

The Company recognizes it is in everyone's best interest to attack affirmatively and solve the problems attendant upon unemployment and underutilization of persons in the community, particularly minority group individuals. Therefore, we will continue our policy of encouraging management personnel to make themselves available for participation in such organizations as the National Alliance of Businessmen, the Urban League, and kindred local community organizations.

  
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 Manager - Personnel Services  
 McDonnell Aircraft Company

  
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 Corporate Director - Personnel Services  
 McDonnell Douglas Corporation

  
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 Director - Personnel  
 McDonnell Aircraft Company

  
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 Corporate Vice President - Personnel  
 McDonnell Douglas Corporation



# Harvard Business Review

September-October 1967

*Alfonso J. Cervantes*

## To prevent a chain of super-Watts

*Rioting in the ghettos of our great cities  
threatens to become epidemic  
unless business takes greater initiative*

### Foreword

One of the prime sicknesses of America's central cities is lack of jobs. But most of the unemployed are unemployable. And they will remain unemployable, the Mayor of St. Louis insists, "until industry brings to bear its creative leadership and resource potentials" on the problem. He cites two examples of what is being accomplished in his city. Before his election as Mayor in 1965, at the age of 44, Mr. Cervantes com-

bined business and political careers. He has been Executive Vice President of Resort Corporation of Missouri, President of an insurance agency, Vice President of Group Insurers, Inc., a Director of Laclede Cab Company, and National Treasurer of the Young Presidents' Organization. From 1949 to 1963 he was a St. Louis Alderman and President of the Board of Aldermen from 1959 to 1963.

A few years ago, when I was an executive of several companies and a member of the board of directors of various others, I devoutly maintained these Puritan tenets:

□ Poverty is the result of indolence; anyone who really wants a job can obtain one.

□ The poor we will always have with us.

□ Businessmen should commit themselves to making money, politicians to saving the cities, do-gooders to saving the disadvantaged, and preachers to saving souls.

But since then, as mayor of one of the older mid-western cities, a great deal of my time has been

spent figuring out ways to find employment for the thousands of St. Louisans who belong to minority groups. They represent only a small portion of the disadvantaged who are piling up like inflammable tinder at the Watts-like center of every metropolitan area of the United States.

Observing the riots of Watts (and now Newark, Detroit, and other Harlems throughout the country) has converted me to an updated social orthodoxy. As a public administrator I have discovered that the economic credos of a few years ago no longer suffice; I now believe the profit motive is compatible with social rehabilitation.

Because of new exposures and latter-day revelations, I now devoutly hold—even see as in a new vision—that it is primarily up to private industry, and not to the government, to upgrade the disadvantaged, to provide training for the unemployed, to break down the complexities of job components, to employ the willing, to make them able, to push for social betterment, to dissolve the ghettos, to break through the vicious cycle of welfarism, to integrate the poor into an affluent economy, and to rebuild the cities—all within the framework of private enterprise and meaningful democratic government.

In fact, I now see no viable alternative. If the businessman does not accept his rightful role as leader in the push for the goals of the "Great Society" (or whatever tag he wants to give it), we will be increasingly smothered by a growing welfare state ridden with riots and arson and spreading slums largely unchecked by the proliferating programs for the unemployed poor.

Some months ago the magazine of the U.S. Chamber of Commerce announced, "*Nation's Business*, with the support of the nation's private employment agencies, throws out the challenge: We can get anybody a job who is willing and able to work."<sup>1</sup> Well, the editor neatly side-stepped me when I wrote to accept that offer on behalf of the more than 15,000 "anybody"s in St. Louis who were seeking work but could not find it.

To state my thesis in different terms: preventing a chain of Watts—no, super-Watts—is up to business. But it must be a reformed business that drops the untenable pose that "we can get anybody a job." Without creative new methods for the upgrading of the disadvantaged, without dozens of supportive services in medicine, education, vocational rehabilitation, industrial counseling, legal counseling, and mass transportation, without community organization reduced to a factory-by-factory and busi-

ness-by-business implementation, there will be no possibility of truthfully saying, "We can get anybody a job."

As the raw intellectual attitude of businessmen now stands and as the raw capabilities of the unemployed slum dwellers of the central cities now stand, I submit that the majority of unemployed are unemployable. And they will remain unemployable until industry brings to bear its creative leadership and resource potentials to make them employable.

But before we come up with any solutions, let us first establish that there is a problem. Is there really an unemployment problem? What is the condition of our central cities? Do they have pools of skilled labor for business to draw on?

### *Hard-core unemployed*

One of the favorite topics of conversation at any Chamber of Commerce or business meeting is the tightness of the labor market and the impossibility of filling open positions.

With an estimated 6 million workers "moonlighting" and fewer than 3 million unemployed, it seems obvious that there is no lack of jobs for anyone willing and able to work. There are 30 inches of "help wanted" ads for every inch of "jobs wanted" ads in the newspapers. Not since the full employment of the Korean war has the national unemployment rate been so low (4% at this writing). In especially favored areas—such as metropolitan St. Louis—the rates are even lower. No wonder there is general unawareness of the mounting crisis of the central cities: the growing hard-core unemployment in the swollen slums.

Breaking through this shell of ignorant satisfaction with the U.S. economy was the recent announcement by the Labor Department of a special unemployment survey for the 20 largest metropolitan areas.<sup>2</sup> This shocking study indicated that a third of the country's almost 3 million unemployed are concentrated in these areas. It found the ghetto jobless rate to be three times that of the national average. For instance, in the slums of Phoenix it is 13.2%; in Oakland, 13%; in St. Louis, 12.9%; and in Philadelphia, 11%. The survey noted that:

□ Compared with the national average in-

1. January 1967, p. 35.

2. *A Sharper Look at Unemployment in U.S. Cities and Slums*, a summary report submitted to the President by the Secretary of Labor, U.S. Department of Labor (March 15, 1967).

come of \$6,300, 37% of slum families report annual incomes under \$3,000.

□ Almost half the slum families—47%—are on some type of welfare or public dole system.

□ Apathy is widespread; a large number who should be working are not, and are not looking for work.

### *The 'subemployed'*

To give a more accurate picture of the "unemployment-hardship" areas, the Labor Department constructed in its report a new "subemployment" index. The index includes individuals actively looking for work and unable to find it—the traditional unemployment figure—as well as part-time workers seeking full-time work, heads of households under age 65 earning less than \$60 a week on full-time jobs, half the number of "nonparticipants" in the job market, and a "conservative and carefully considered" estimate of the male "undercount" group.

The subemployment rate ranges from 47.4% in San Antonio, 45.3% in New Orleans, and 38.9% in St. Louis to 24.2% in Boston—with an average of 33.9% subemployment in 10 slum areas.

It is noteworthy that this official study found that unemployment and poverty are caused by personal handicaps, rather than by the country's economic condition. "No conceivable increase in the gross national product would stir these backwaters," the report stated. Further, it called slum unemployment "primarily a story of inferior education, no skills, police and garbishment records, discrimination, fatherless children, unnecessarily rigid hiring restrictions, and hopelessness."

The report concluded with this capital observation: "Though the percentages involved here are deplorably high, the number of people involved is comparatively small. The barriers to their useful employment are serious, but they are removable barriers. The problem is clearly at manageable proportions."

### *White-noosed tinderboxes*

With our expanding population, the increased concentration of the disadvantaged in the central city, and the escape of the whites to the suburbs, the central cities are increasingly taking on the appearance of giant Negro ghettos surrounded by white-noose suburbs. More than

this: Negro unemployment is not decreasing but increasing, the income gap between Negro and white is not decreasing but increasing.

The financial institutions are beginning to lose confidence in the viability of the central city and are beginning to withdraw credit from the city as a whole, just as they already have generally withdrawn credit from the slums to let them disintegrate in their own pestiferous rot.

A case in point is that of Nick Fragapane's supermarket, one of the last white-owned businesses in the dilapidated and riot-torn Negro neighborhood of Cleveland. A press report related that he was forced to close his store when he could not get his insurance renewed. The report added that an agent for the Home Mutual Insurance Company of Binghamton, New York, "wrote to Mayor Ralph S. Locher that all insurance carriers were 'extremely cautious about writing any type of insurance within city limits.'"<sup>3</sup>

### *Matter of race*

We cannot hide the question of race. Nor do we wish to. Some of the most acute employment problems in metropolitan areas revolve around the racial question.

Housing Secretary Robert Weaver was quite correct when he stated: "The single most striking fact of the American city is that its fate is bound indivisibly to the fate of the American Negro."<sup>4</sup> We recognize that 75% of the disadvantaged in this country are whites, but at the hard-core center of the cities' problems is the integrating of the nonwhite residuum into the mainstream of the economy.

In 1910, eight of every ten Negroes lived in the southern states, mostly in the rural areas where they worked as sharecroppers and farm hands. Today seven out of ten of the nation's 21 million Negroes live in the cities. And there are 3 million more yet to come.

A look at the classrooms of today can give a preview of the American city of tomorrow. Washington, D.C., can be used to provide the benchmarks that show the other cities where they are along the road to racial concentration and de facto city-suburb segregation:

□ Twenty years ago the District of Columbia,

3. "Last Firms Leaving Ghetto in Cleveland," *St. Louis Post-Dispatch*, April 9, 1967, p. 4K.

4. Action Symposium on "The Troubled Environment," Washington, D.C., December 8, 1965.

with a population one third Negro, had an elementary school population that was 50% Negro. Ten years ago the city was half Negro and the elementary school population was up to 75% Negro. Today the population of our nation's capital is two thirds Negro and its public school population is 90% Negro. This is in sharp contrast to the suburban schools of the metropolitan Washington area, which have fewer than 8% nonwhite pupils on their registration roles.

*Last hired, first fired:* It is true that great advances have been made by the Negro, but, relative to the whites, the Negro in the swift moving current of our economy has been nearly standing still. He remains the last to be hired and the first to be fired. Statistically speaking, he is still earning little more than half of what the white man is earning, if married, he is still troubled by twice the unemployment of the white; if unmarried, three times the unemployment of the white, and if he is a teen-age dropout, four times the unemployment rate of the white. The white male who has had but a grade school education is making almost as much as the Negro college graduate.

Arthur M. Ross, Federal Commissioner of Labor Statistics, said last year that the idleness rate for Negroes is still running two and one-half times that for whites. He warned that failure to speed the pace at which Negroes are moving into white-collar professional and skilled occupations would raise their unemployment ratio to three or four times that of whites by 1975.<sup>5</sup>

The existence of slums, the migration of millions into the central cities, whether from farm or foreign shores, and the middle class flight to the suburbs are not new phenomena. Through history the advantaged have fled from the disadvantaged. The core areas of our major municipalities have long served as ports of entry and processing depots for migrants at the lower end of the economic ladder.

But there are new elements in the central cities today that make a continuing series of Watts throughout the country almost inevitable. As Dr. James Bryant Conant, former Harvard president, prophesied six years ago:

"The building up of a mass of unemployed and frustrated Negro youth in congested areas of a city is a social phenomenon that may be

compared to the piling up of inflammable material in an empty building in a city block. Potentialities for trouble—indeed possibilities of disaster—are surely there."<sup>6</sup>

### *Deteriorated labor pool*

During the previous century the central cities were able to say to foreign countries:

"Give me your tired, your poor,  
Your huddled masses yearning to breathe free,  
The wretched refuse of your teeming shore..."

Those days are gone, the unskilled jobs that private industry supplied for those "homeless, tempest-tost" are gone. Quality manpower is needed for the industries and businesses in the cities as well as in the suburbs. But quality manpower is no longer available in the central cities, the arrival of caravans of the poor and unskilled from the South and from outstate farms and the flight of the middle class to the suburbs have seen to that.

The case of St. Louis is not atypical. In 1950 the population was over 850,000; today it is under 700,000. More significantly, during the past quarter century the city has lost to the suburbs a flood of middle-class white citizens—274,000 of them. The flight of the whites to the suburbs is quickening as the advent of the disadvantaged Negroes to the teeming core cities is heralded by neighborhood rushes of "For Sale" signs and frenzied phone calls of the "block busters." The influx of dispossessed Negroes from Mississippi, Alabama, Kentucky, and outstate Missouri—as well as a high birthrate—have swollen the nonwhite percentages of the city's population from 13% in 1940, to 18% in 1950, 28% in 1960, and 37% in 1967. It is estimated that within nine years the City of St. Louis (as well as nine other of the nation's largest central cities) will be in majority nonwhite.

As the white middle-class population has fled the city for the suburb, so has industry and business. For instance, within 10 years in St. Louis, 338 manufacturing and 5,918 retailing establishments moved away, causing the loss of 50,000 job slots.

Even New York City, long the business capital of the world, is feeling the pressures. Within one week not so long ago three major companies—Pepsico, American Can, and Olin Mathieson—announced they intend to move to the city's suburbs, and Uris Buildings Corporation, the

5. "Cutting Negro Unemployment," *New York Times*, November 5, 1966.

6. *Slums and Suburbs* (New York, McGraw-Hill Book Company, Inc., 1961), p. 18.



builder of dozens of Manhattan's new glass-girt office towers, disclosed plans for a huge laboratory-office center in suburban Rockland County, in anticipation of further corporate moves out of the seething central city.

One might comment, "So what? This has happened in practically every central city since 1929. New York City has lost 17,000 industrial jobs each year over the past decade. And 9 out of 10 major central cities have lost manufacturing jobs during the last decade."

I agree that this has been the common experience of central cities. I agree that the traditional reasons that industry bids goodbye to the city administration and all that it stands for are taxes, congestion, smog, stickups, racial tension, inadequate schools, an unfavorable labor market, unsympathetic labor leaders, and so on ad lower-tax-base nauseam. But this misses the point of my argument. The new reason—and one which will inevitably become more critical—is that the pool of quality manpower once available for business within the central city is no longer readily available.

### *Depressing facts*

The administration of any big city can provide pessimistic statistics indicative of the type of manpower that business can ultimately look for in the central cities.

Recently my office received a report from the St. Louis Evaluation and Training Center, which is administered by the Jewish Employment and Vocational Service. The report provides a statistical survey of 1,300 clients served by a one-week diagnostic evaluation in the comprehensive manpower program that is a pride of our business and welfare community. Of these 1,300 unemployed seeking employment, it was found that 75% have less than an eighth-grade literacy level, 88% have less than an eighth-grade computational level, and 62% score less than a 90 I.Q. on a standardized (WAIS) test. This 90 I.Q. is the lower limit of the normalcy I.Q. of 90-110.

If these figures about persons seeking jobs are depressing, a look at the hard-core unemployment barrel can be terrifying. The Office of Economic Opportunity sketched this profile of the typical male Job Corpsman and by implication outlined for the central city businessman the type of employee with whom his personnel officer will ultimately have to deal:

"The typical Corpsman enters with seven years of schooling, but his reading score is below

the accepted fifth-grade level. Four out of every five arrivals have never seen a physician or dentist professionally and 47% who had otherwise been eligible for military service failed their entrance examinations—17% for physical reasons, 30% because of educational deficiencies. Only 10% of the Corpsmen had been employed and their average pay was 80 cents an hour."<sup>7</sup>

A sophisticated economy based on the power tool and computer, on the engineer and the professional, has no room at the bottom for unskilled labor. "The uneducated need not apply" is the unseen sign on every employment door.

This then is the economic world into which the modern disadvantaged city dweller tries to find his niche. The large numbers of southern rural Negroes who have been propelled into the center of the metropolitan whirlpool find themselves particularly ill-prepared:

□ Most of them come poorly equipped for the highly competitive system into which they are thrust. Handicapped by limited education, lacking in the skills necessary for an industrial society, without family and friends to provide them with employment support, victimized by discrimination, they are the most vulnerable to unemployment and underemployment.

□ Unlike earlier migrant groups, they are denied social, residential, and employment mobility because of the color of their skin. Moreover, this low rate of mobility has limited the growth in numbers of Negro intellectuals and of Negro professionals and business elite of the kind that have provided much of the leadership for various other ethnic groups.

□ They have arrived in the middle of a technological upheaval when jobs for the unskilled are all but nonexistent. The majority remain marginal members of the dominant culture huddled together in the boiling ghettos of the central cities.

### *What businessmen must do*

The ultimate salvation of the cities, and the ultimate salvation of the slums, lies not in high-rise public housing, or welfare programs, or self-defeating housing code enforcement or intracity freedom of residence campaigns, or even in federal training programs that are not allied with industry's provision of jobs—though each of

7. "Profile Is Drawn of Job Corpsman," *New York Times*, June 19, 1966.

these government programs may be helpful and indeed necessary.

Ultimately it must be private industry that figures out ways to integrate the disadvantaged—especially the Negro—into the economy and to dissolve the slum, or it will soon be necessary to despair not only of the slums but of the total central city. Either businessmen will learn new techniques of job simplification, personnel management, and skill development and take over the leadership of the thrust against chronic unemployment, or it will be necessary to withdraw from the central city and to seal it off as the leprous Pandora's box of American society.

What's more, if industry does not take the initiative in providing jobs, the task will fall to the federal government, with its inevitable markup, bureaucracy, taxes, and control. Whoever does the job, it will be industry that pays the bill—only the bill will be at least double and the results at best dubious if the government has to do the job.<sup>8</sup>

Only the businessman gives us an alternative to the cost of \$5,850 for training one Job Corpsman. Only the businessman can provide an alternative for the taxpayer who is being coerced into paying \$2,448 per prisoner per year or \$1,978 in welfare per year for a man, wife, and one child in good health, paying \$50 a month rent. Moreover, the unemployed make poor customers. "Give a man a fish today and you'll have to give him another tomorrow. Teach a man to fish today and he will take care of himself tomorrow."

Granted that most of the hard-core unemployed are unemployable today, about 75% can be made employable. Public and private training investments pay off: cost-benefit analyses by both government and industry indicate that within two years the full cost of training programs for the disadvantaged pay for themselves. But the federal government's programs taken all together leave the iceberg bulk of the unemployed untrained and unplaced. This is private industry's job.

### *Reevaluation needed*

Business executives must reevaluate their recruiting and training programs in light of the needs and potentials of the disadvantaged.

1. *Recruitment:* Business must reach out to the central-city-neighborhood level to reach the chronically unemployed adult and the inexperienced teen-ager. Recently the Ford Motor Com-

pany's St. Louis operation accepted my invitation to install a mobile employment office right in front of City Hall, within walking distance of the slum disadvantaged.

2. *Evaluation:* Traditional testing procedures have proved unfruitful with the disadvantaged. They are poorly motivated and "test shy" with standard testing instruments.

3. *Special treatment:* They need extra services, such as "buddy" and "coaching" systems to ease the difficulties of entering the world of work and to help with personal and family problems. Another service should be providing a bus pass or transportation facilities to the disadvantaged for at least the first few weeks of training and work experience.

4. *Vocational training:* While most business executives would acknowledge that lack of marketable skills is the most acute common problem of the central-city unemployed, they have not seriously tried to develop the quantity and range of vocational training opportunities necessary to train or retrain large numbers of them.

Millions of federal dollars are available under the Manpower Development and Training Act to enable employers to meet their manpower needs by training disadvantaged workers and potential employees. This federally subsidized training and work experience may take place not only in vocational schools but in factory and business sites of interested employers.

Vocational training in our school systems and public manpower programs has frequently been ineffectual and alienated from modern technological reality. Business executives' advice and involvement are needed by public manpower projects and school board administrations in directing curriculum orientation and industry linkages. Vocational training is a tunnel. It is only private industry that can provide the light of meaningful jobs at the other end of the training tunnel.

5. *Job development:* Industry has found that by breaking down highly complicated jobs into separate, simplified components, many entry jobs may be provided for the disadvantaged. In this way the disadvantaged acquire the exposure to employment that they need and the company acquires the manpower it needs.

Job development requires an imaginative and creative reorganization and redefinition of jobs for both the skilled worker and the unskilled

8. For a different proposal on what industry can do to promote the public welfare, see George Champion, "Creative Competition," HBR May-June, 1967, p. 61.—The Editors

recruit. Most production lines can be broken down and reorganized without impairment to production flow while simultaneously allowing people who have little or no training to play a productive role in entry positions. In our sophisticated economy a high school diploma has, practically speaking, been a prerequisite for a job despite the fact that manpower program specialists maintain that many, if not most, factory production jobs can be performed by persons with sixth-grade competence.

Why should a skilled assembler in the electronics or aircraft industry, for instance, spend his time in presorting small parts and laying out groups of units when an unskilled worker might readily perform these operations? The establishment of welding stations where the highly skilled welder is backed up by one of the indigenous workers who acts as a material hauler and component expeditor is another example of the type of job reorganization and redefinition that is possible.

The 25 or 30 companies in St. Louis that recently have diligently pursued this type of job development have found, however, that restructuring jobs implies a much more extensive modification of procedures and policies than job simplification. The Bemis Company, the Buxton-Skinner Printing Company, the E. W. Harting Manufacturing Company, the Kisco Corporation, the St. Louis Housing Authority—all have found that successful restructuring of jobs to make room for the disadvantaged makes necessary the restructuring of entry standards (but not job standards), supervisory policy (greater tolerance for the disadvantaged employee's temporary inadequacies), and worker morale (preparing veteran employees by group discussions for hospitable reception of members of a previously excluded minority group).

The Buxton-Skinner Printing Company found that in order to hire a slum resident with no previous training in the electrical field, it first had to establish a new category of "electrician's helper" which was one step below the "electrical maintenance assistant." In-service "coaching" was a further requirement. Special bonding for those with police records was an extra precaution. With the federal government supplying the extra costs of training through its on-the-job training program, men who had previously averaged at odd jobs only 60 cents an hour were within six months qualified to earn \$2.10 an hour.

6. *Sheltered workshops*: No matter how much

we increase the efficiency of training programs, there will always be a substantial percentage (perhaps as high as 25%) of the disadvantaged for whom competitive employment is a virtual impossibility. These include the severely retarded, the physically handicapped, the older, unskilled workers, and the emotionally disturbed. Private industry can assist in establishing sheltered workshops which, when well-administered, can be close to self-supporting. Business executives can profitably subcontract to such workshops.

### *What St. Louis is doing*

These suggestions for business were not drawn out of textbooks or out of thin air. They were distilled from experience in the social laboratory of the City of St. Louis.

The two cases that I shall submit are suggestive paradigms of how business can capitalize on the marginal unemployed manpower available in the slum and central city. In the first example, a major company undertook its own training program for the disadvantaged without government assistance. In the second, a group of local industrialists and businessmen joined forces with the government's antipoverty program to develop a job training and job placement program for the disadvantaged.<sup>9</sup>

### *McDonnell experiment*

The McDonnell Douglas Corporation, maker of the famed Phantom fighter and prime contractor for the Mercury and Gemini space capsules, employs 40,000 in its St. Louis plant, roughly half of them production workers. Almost all the 20,000 production workers are either sheet metal workers doing riveting and drilling work or electricians putting in soldered connections.

Several years ago the McDonnell Douglas Corporation, because of the shortage of manpower and the growing mass of unemployed in the central city, decided to experiment with hiring the disadvantaged. Since the aircraft and aerospace industry has become highly profes-

9. Curtis Gatlin, Director of Work Programs in the St. Louis Office of Economic Opportunity Community Action Agency, assisted me in formulating the material for this section. Mr. Gatlin is the prime mover in our efforts for creative innovation in manpower programs. I was tempted to use a pseudonym in referring to Mr. Gatlin so his critical services would not be outbid and pilated by another city. But on second thought I realized that a pseudonym would not provide the recognition for his assistance which I am here acknowledging and extolling.  
—The Author.

sionalized and technologically sophisticated, the decision to attempt to integrate into the workforce individuals with little or no mechanical or mathematical background presented problems. There are perhaps no products more complicated and more dependent on accuracy and precise workmanship than the Phantom plane and the Mercury space capsule.

With several billion dollars, as well as the company's good name, resting on the smooth flow of the assembly lines, it was necessary that there be no breakdown in the caliber of workmanship by experimentation with the use of the disadvantaged. There were two key problems here:

1. How to make the component parts of the product so simple that any "trainable" disadvantaged person could readily master a single element.

2. How to establish a training program that would enable even a disadvantaged person with no previous experience to master a single element within a relatively short time.

After much trial and error these two critical problems were solved. The turnover rate at McDonnell in production jobs runs around 30% per year, which is slightly lower than the industry average of 3% per month. McDonnell's normal turnover opens up about 120 jobs a week, but because the company is still expanding, it is hiring 200 production workers a week.

McDonnell has established a level of "trainability" which, though it does not include the necessity of having a high school diploma, causes 75% of all applicants to be rejected. Left civil rights super-enthusiasts see this trainability criterion as the hidden "grandfather clause" that is used to save McDonnell the trouble of hanging up a sign, "Negroes Need Not Apply," I hasten to add that half the trainees are Negro women and an additional relatively small percentage are Negro men.

*Salaries and costs:* Practically all the production employees hired are sent through the McDonnell training program. Those without prior experience are first given "vestibule" training. Though several hours per day are spent in classroom exercises, most of the time during these four weeks is spent on practice benches learning to drill metal and rivet models of increasing complexity. The pay in this period averages \$1.67 an hour.

During the following 13 weeks, the trainees

are put on the assembly floor as helpers earning \$1.85 an hour. In 17 weeks, they become regular riveters and assemblers earning \$2.67 an hour.

The program costs McDonnell roughly \$450 per trainee—\$66 a week for salary and \$185 for instructional costs. These figures are for the training period proper, when the trainees perform no work on actual production projects. During the probationary period they are performing useful work on assembly projects.

Compared with similar governmental programs, the \$450 cost is low, and the project is more oriented toward a particular job. The trainee sees a light at the end of the training tunnel; he knows what job he is training for. This cannot be said of governmental programs not closely integrated with private industry.

McDonnell has also experimented with accepting federal grants for training the disadvantaged, including one to obtain 400 draftsmen.

*Lowering job qualifications:* I have stated that "business executives must reevaluate their recruiting and training programs in light of the needs and potentials of the disadvantaged." In view of the fact that about 50% of the youths in slum areas do not graduate from high school, the rigid requirement for a high school diploma makes employment for the disadvantaged doubly difficult.

McDonnell, until recently, did require that every production worker have at least a high school diploma. The company had also adhered to fairly rigorous standards in demanding a history of personal reliability and previous work experience. Under these standards only one out of every twenty applicants was accepted.

In the summer of 1966, after a year's experimentation in breaking down work projects into their simplest components and simplifying the training program, the company eliminated its diploma requirement. Even under these relaxed standards, McDonnell is still turning away 3 out of 4 applicants. This is much better, however, than the company's previous record of rejecting 19 out of 20.

Applicants must still be trainable, but according to the new McDonnell formula, which requires that they have basic reading and calculation skills, they are ready and eager to learn, and have shown some signs in their school or work experience of being reliable workers. A police record or failure to hold down a previous job definitely counts against an applicant and frequently leads to his rejection.

Roughly 75% of the trainees complete the probationary period. Of those leaving, perhaps half do so because of failure to learn their graded materials on time. The others leave for a variety of reasons, including difficulty of transportation, better jobs elsewhere, or an aversion to the type of work involved. Significantly, the retention rates for women are better than for men, and foremen and trainers seem well satisfied with—indeed, often prefer—female workers.

Dropping the high school diploma as one of the prerequisites for employment has been a matter of serious concern and scrutiny at McDonnell. Though there has been a slight increase in the training dropout rate as a result of acceptance of high school dropouts, otherwise they have done about as well as those trainees who are high school graduates.

Although the evaluation is not complete, the impression is that there are only a few preconditions for successful training: basic literacy, an eighth-grade grasp of arithmetic, an ability to understand and accept simple instructions, and motivation to learn and to work.

*Inconvenient transportation:* I should mention one drawback of this program. The McDonnell plant is 12 miles from the core area of the city, and there is no convenient public transportation. The round trip by bus takes a slum resident at least three hours.

The City of St. Louis has recently obtained a million-dollar federal grant for mass transportation from the central city directly to the McDonnell plant and those of other major industries on the perimeter of the city. This will enable a greater percentage of the disadvantaged to avail themselves of the training program.

The impressive feature of the McDonnell training program is its dramatic illustration of the idea that the skills necessary to earn non-poverty wages can be taught within a relatively few weeks even to the disadvantaged, provided they have motivation and basic reading and calculating skills.

The critical question is how to equip the poor to meet these preconditions. I contend that to this problem too private industry, acting in consort with government (tax concessions), will find an effective answer.

### *Community-wide effort*

My second example of how private industry can assume its proper role in the slum crisis of the

central cities features not a giant corporation but a community-wide project in which even the smallest business can participate. Work Opportunities Unlimited (WOU) is the progeny of the St. Louis business community. It began operation last fall, and consequently any judgments about its performance must take its youth into account.

It was the brainchild of K. Brooks Bernhardt, a personnel director of the Monsanto Company. It has been adopted by a variety of fosterparents, including Civic Progress, Inc., whose members include the chief executive officers of most of the large corporations in the St. Louis area. It has likewise been adopted by the Human Development Corporation, which administers the local antipoverty program.

The Department of Labor, Bureau of Apprenticeship Training, and the Office of Economic Opportunity are providing most of the funds for the WOU program. Private local sources provide the 70% matching funds necessary for the federal grant.

Work Opportunities Unlimited is the job-finding, job-making arm of the comprehensive manpower program of our local antipoverty agency. One of WOU's main functions has been to persuade employers to redefine their job categories and to reduce skill requirements so that room can be made for the disadvantaged unemployed. One of their suggestions might be to replace two skilled craftsmen with one skilled worker and two helpers.

Brooks Bernhardt originally explained their goal: "Almost every employer is looking for workers. WOU will ask them to make an exception in their job qualifications so we can help these people. No employer, even the very largest ones, will be asked to commit himself to more than a few such jobs. We will use a personalized approach to this project. Specific people will be matched up with specific jobs."

*Supportive services:* WOU job developers work with businesses in developing realistic job specifications by which employers can tap a segment of the labor market they are not presently reaching. Specialized staff of WOU also provide counsel to the business administration on upgrading present employees.

Two special supportive services are given to the newly placed employee: the "buddy" system and the "coaching" system. A "buddy" is a veteran employee who is assigned to the newcomer to help him in the plant by explaining

the regulations, introducing him to fellow workers, showing him the facilities, acquainting him with the use of various types of equipment, and so forth. A "coach" is a professional from outside the plant who is assigned to a number of new workers and counsels them outside of working hours about personal problems, such as those concerned with finances, garnishees, medical aid, marriage, transportation, and the myriad others so common among the very poor.

The recruiting points for jobless persons are Human Development Corporation's 12 neighborhood gateway centers located in the economically distressed areas of St. Louis.

The interview, testing, and evaluation process at these centers is unlike the traditional "middle-class" written exams. Rather, the procedure tests manual dexterity and rates the applicant's ability to understand and follow oral directions. His qualifications are then entered into a central "job bank." WOU's aim is to match the client's actual and potential qualifications with a job opening filed in the job bank inventory stored at its control center.

*Taking initiative:* The agency does not wait for jobs to come to it. Of its 28 employees, 15 are job developers who are out on the street daily explaining the program to potential employers. Giving WOU a "job order" does not commit an employer to hiring anyone; hiring is on the basis of the employer's own selection and interviewing process.

WOU also conducts on-the-job training programs funded through the Bureau of Apprenticeship Training of the U.S. Department of Labor. Under these contracts, employers select and train workers. The employer is reimbursed up to \$25 weekly for as many as 26 weeks for training the potential employee. Occupations covered include welders, repairmen, assemblers, sales and accounting clerks, and data processing operators.

I feel that training the disadvantaged on the job by private industry is much more efficient than training by any public agency, including welfare agencies, employment bureaus, or residential Job Corps.

In its first six months of operation WOU made 1,317 contacts with employers, developed 3,876 jobs, and placed 1,339 unemployed. At present WOU does not have an adequate follow-up system to make sure that the placements "stick," so it is unknown how many of the new workers remain in their jobs. That WOU is only

partially filling the need is obvious from the response to it: its original goal was to obtain 3,000 jobs in one year (this goal will be reached), and within less than six months 10,000 disadvantaged unemployed sought its assistance.

The remarkable feature of the Work Opportunity Unlimited Program is that it is one of the first broad attempts in the nation by the business community to become involved in the crisis of the central city. In this proposition, responsible business leadership contributes its own expertise in job analysis, personnel management, and skill development to the many-faceted attack on chronic unemployment.

## Conclusion

In my insistence that preventing a chain of super-Watts is up to business, I have not meant to imply that employment of the disadvantaged is a one-way street to be traveled only by businessmen. It is a two-way street that must likewise be traveled by the disadvantaged themselves. My not untenable assumption in stressing business executives' role is that the growing masses in the slums of our central cities are not addicted to reading *Harvard Business Review*.

If they were, I would have also stressed the importance of the potential worker's growth in responsibility, reliability, sociability, honesty, literacy, skills, work habits, acceptance of direction, giving a "full day's work for a full day's pay"—and a host of other basic, middle-class virtues which we business executives learned at the early stages of our Oedipal resolution.

My purpose has been to indicate my conviction that the problem of the central cities will not be solved until business takes its rightful role in the promotion of employment for all—even the unemployed slum dwellers. The cities of the world have traditionally been not only the centers of art, science, literature, and civilization itself, but also the basic source of creative and lucrative labor. They are not different today. Our choice at this late stage of the game is between the continuation of the city as a civilizing influence or its static survival as a dark ethnic island that serves the real work world as a dumping ground for an alienated population.

The eroding tax base, the mounting cost of escalating the services required for the disadvantaged, the vicious circle of unemployment in three-generation relief families, the unwilling-

ness of welfare recipients to go off relief and seek a job for fear of not being able to get back on the relief rolls, the islands of poverty amidst the sea of plenty, broken homes, latch-key children, promiscuity, vandalism, irresponsibility, slums created both by absentee landlords and present tenants, glue-sniffing, drugs for kicks, racial hatreds and violence, youth out of school

and out of work, refusing to soil their hands for \$1.25 an hour—all of these are the growing, growling prelude to social disturbances that could become pressurized and erupt in a massive series of super-Watts in our American cities within the next generation.

That is, unless industry galvanizes its vast resources to help.

## One effort by business in Watts

If you live in Watts . . . you could drive to a job at the Burbank plant of the Lockheed Aircraft Corporation, for example, in less than an hour—if you had a car. Without a car, getting from one end of [Los Angeles] to another might involve taking as many as four buses and perhaps twice the traveling time.

That is one reason why 2,200 persons from the Watts section have applied for jobs at the Watts Manufacturing Company, which is in the area. . . . Watts Manufacturing was formed last November as a subsidiary of the Aerojet General Corporation, which in turn is a subsidiary of the General Tire and Rubber Company. . . . The idea behind Watts Manufacturing was to provide jobs for residents of . . . the Watts district. . . . The new company, which started with 25 employees, now has a payroll of 203 men and women from the Watts area and is turning a profit by making tents for the military, wooden crates and metal components for conveyor systems. . . .

Most of the company's employees had long records of unemployment and most had no industrial skills before joining Watts Manufacturing. . . . The company did not consider a police record a bar to hiring a potential employee. Also . . . the company is willing to train employees who arrive without skills. The tent-making operation, which must meet rigid government standards, largely involves cutting, grommeting and sewing-machine steps, but many of these processes had to be taught to the employees. In the metal division the company is teaching formerly unskilled men to operate industrial lathes, a skill highly in demand in the most sophisticated of industries. . . . There has been little trouble from employees. If the company has any personnel problem . . . it is a rapid turnover caused by employees leaving for higher-paying jobs after they have learned a skill. But, of course, that provides room for the company's backlog of 2,200 applicants. . . .

But Watts Manufacturing is just one company, and the employment problems in the Watts section are far from solved. . . . A study by the Bureau of the Census made just after the riots estimated that there were 25,000 persons unemployed, including those not registered on unemployment lists, in the riot curfew area, of which Watts is a small area. While some progress has been made, businessmen in Watts and observers of the area recognize that there is nothing like stability in the community and that the mood of the people remains potentially explosive. "Anything could happen at any moment" is a description of the situation which is heard frequently.

Robert A. Wright,  
*The New York Times*,  
June 18, 1967,  
Section 3, pp. 1, 9.

## Exhibit No. 19



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
819 TAYLOR STREET, FORT WORTH, TEXAS 76102

REGION V

August 27, 1969

IN REPLY REFER TO: 50I

Mr. Walter F. Faerber  
President, John H. Armbruster  
and Company, Realtors  
8940 St. Charles Rock Road  
St. Louis, Missouri 63114

Dear Mr. Faerber:

This letter is to inform you that we have examined the facts of the complaint filed against you under the Fair Housing Law by Mrs. Arthur L. Allen on May 7, 1969 and have concluded that further action in the case would be inappropriate for the following reason(s):

Investigation did not support Complainant's charge of discrimination.

We have, therefore, determined not to seek a resolution of the issues raised in the complaint. You are advised, however, that if the complainant considers our determination to be incorrect he has the right to seek court relief within thirty days of the date of this letter under Section 810 of the Federal Fair Housing Law. You should know that he may also have the right to bring court action under section 812 of the law or under the Civil Rights Act of 1966 as interpreted by the Supreme Court in the case of Jones v. Meyer.

We thank you for your cooperation.

Sincerely yours,

A. Maceo Smith  
Assistant Regional Administrator  
Equal Opportunity



Exhibit No. 20

1	Address:	Rms.:	Bdms.:	Baths:	Price: \$
2	Suburb:	Zip:	County Loc. No.:		
3	School-Dist.:	Area No.	Map-Grid Coord.:		
4	Elem. Schl.:	Jr. H.S.:	Sr. H.S.:	Parochial:	
5	Lot Size:	Lot No.	Blk.	Subd.	
6	Age:	Condition:	Muni. Insp. for Occupancy Permits: <input type="checkbox"/> Initial <input type="checkbox"/> Compliance <input type="checkbox"/> Passed		
7	Architecture: <input type="checkbox"/> Colonial <input type="checkbox"/> Provincial <input type="checkbox"/> English <input type="checkbox"/> Contemp. <input type="checkbox"/> Traditional <input type="checkbox"/> Other:				
8	Types: (Style) <input type="checkbox"/> 1. One Stry. <input type="checkbox"/> 2. Two Stry. or More <input type="checkbox"/> 3. Tri. or Multi-level <input type="checkbox"/> 4. 1½ Stry.				
9	Const. <input type="checkbox"/> 1. Brick <input type="checkbox"/> 2. Frame/Wood Shg. <input type="checkbox"/> 3. Brick & Frame <input type="checkbox"/> 4. Alum. Siding				
10	<input type="checkbox"/> 5. Stucco <input type="checkbox"/> 6. Asb. Shingle <input type="checkbox"/> 7. Comp. Siding <input type="checkbox"/> 8. Stone				
11	Mortg. Balance: \$	As of:	Can be Assumed:	Equity Required \$	
12	Pay/Mo.: \$	Includes:	Type:	Orig. Date:	Int.: %
13	Mortgagee:			Real Est. Taxes: \$	Year:
14	Will Sell: <input type="checkbox"/> FHA <input type="checkbox"/> V.A. <input type="checkbox"/> Assume <input type="checkbox"/> Will Take <input type="checkbox"/> 1st DT <input type="checkbox"/> 2nd DT Amt.: \$ Int. Rate %				
15	Appraisal: <input type="checkbox"/> FHA (cond'l. commit) <input type="checkbox"/> V.A.(crv.) <input type="checkbox"/> Conv. Check if: <input type="checkbox"/> Occupied <input type="checkbox"/> Vacant <input type="checkbox"/> Tenant				
16	<input type="checkbox"/> 11. Occupancy 30 days or less	Carpeting	Dishwasher	Patio	Fenced Yard
17	<input type="checkbox"/> 12. 2 Full Baths or more	Draperies	Disposal	Stm Win/Drs	Nat. Gas
18	<input type="checkbox"/> 13. Fam. Rm., Den or Library	Wind. A/C	No. Closets	Screens	220 V. Elec.
19	<input type="checkbox"/> 14. Basement (Over 50%)	Rms	1st Floor	2nd Floor	3rd Floor
20	<input type="checkbox"/> 15. Garage or Carport	LR			Heat: W. Htr.:
21	<input type="checkbox"/> 16. 2-car or More	DR			Roof: Walls:
22	<input type="checkbox"/> 17. Central Air Cond.:	Kit.			Blks. to Bus:
23	<input type="checkbox"/> 18. Full Dining Room	FR			Remarks:
24	<input type="checkbox"/> 19. Rathskellar	Bth			
25	<input type="checkbox"/> 20. ½ bath (1st Flr. or above)	BR			
26	<input type="checkbox"/> 21. Swimming Pool (Blt.-in)	BR			
27	<input type="checkbox"/> 22. Sanitary Sewers Connected	BR			
28	<input type="checkbox"/> 23. Fireplace	BR			
29	<input type="checkbox"/> 24. Built-in Oven & Range	BR			
30	Directions:				
31	Owner or Tenant:	Phone:	C.L. No.		
32	Broker Code:	List. Agt.:	Phone:		
33	Spec. Instr. for Showing:				

Inform. herein is not warranted & sub. to change w/o notice. We assume no liability for errors. Items incl. g. quoted price.

**JEROME L. HOWE, INC.**  
 REALTORS

2204 BRENTWOOD BLVD. • BRENTWOOD, MO. 63144 • WO 1-5062

SPAHN STUDIOS 2841 DALTON ST. LOUIS, MO. 63139 647-5730

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**UNIFORM LISTING CONTRACT**  
 Approved 1958 by Counsel for the Real Estate Board of Metropolitan St. Louis

St. Louis \_\_\_\_\_, Mo., \_\_\_\_\_ 19\_\_

In consideration of the agreement of the undersigned Realtor to endeavor to procure a purchaser, we, for ourselves, our heirs and assigns, hereby appoint said Realtor our sole and exclusive agent with exclusive right to sell the above described property for \$ \_\_\_\_\_, or for any other price and terms to which we shall consent.

If within six (6) months after date of this listing, a ready, willing and able purchaser is produced by the undersigned Realtor, or by us, or by any other person, or if said property shall be contracted by us to be sold to, leased to, or exchanged with any person procured by the undersigned Realtor, or by us, or by any other person, or if within an additional term of two (2) months the property is contracted by us to be sold to, leased to, or exchanged with anyone contacted by or through said Realtor within the first period, and registered in writing with us within ten (10) days following the expiration of the first period, we will pay said Realtor a commission on the total selling, leasing, or exchange price according to the schedule suggested by the Real Estate Board of Metropolitan St. Louis, being 6% on improved property, 10% on unimproved property if sold, and if leased, lease commission to be governed by lease commission schedule. In the event subject property shall be sold, leased or exchanged by or through another Realtor within said additional term of two (2) months, the total commission shall not exceed the rates set forth above. This commission shall be a lien on the property and on earnest money until paid. This property is offered without respect to race, color, creed, or national origin.

THIS is a legally binding contract. If not understood, seek competent advice.

Witness to Signature	Owner
Accepted:	Owner
By _____	Address _____
	Phone _____

*Exhibit No. 21*

## HOUSING IN ST. LOUIS

## U. S. COMMISSION ON CIVIL RIGHTS

The housing supply in the St. Louis metropolitan area is a study in contrasts. The city of St. Louis is primarily an area of old multifamily rental housing. St. Louis County is primarily an area of new single-family owner-occupied housing.

	<u>City</u>	<u>County</u>
Single-family units	35.9%	87.7% <sup>1/</sup>
Owner-occupied units	38.4%	79.4% <sup>2/</sup>
Dilapidated, or lacking one or more plumbing facilities	18 %	7 % <sup>3/</sup>
Units constructed prior to 1930	76 %	19 % <sup>4/</sup>

RECENT HOUSING ACTIVITY

More than 95 percent of the increase in the housing inventory of the St. Louis metropolitan area since 1960 has taken place in the Missouri suburbs. <sup>5/</sup> St. Louis County alone accounted for three-fourths of all single-home construction in the area. <sup>6/</sup> Sixty percent of nonsubsidized apartment construction between 1960 and 1968 has been concentrated in St. Louis County. <sup>7/</sup> In the meantime, inventory in the city is declining. Between 1960 and 1965, the city added approximately 6,800 units through new construction, but demolished more than 12,000 units, primarily as a result of urban renewal and highway construction programs. <sup>8/</sup>

New sales housing in the city of St. Louis is practically nonexistent. Less than 50 single-family units were authorized by the city for construction in 1967.<sup>9/</sup> The sales market reflects the city's decline in inventory. There were 14,300 real estate transfers in the city in 1961 and 10,600 real estate transfers in 1967.<sup>10/</sup> In contrast, the sales market activity in St. Louis County has been steadily increasing. In 1967, 4,158 new single family homes were completed in St. Louis County.<sup>11/</sup> There were 26,500 annual real estate transfers in the county in 1960-62 and 29,600 real estate transfers in 1967.<sup>12/</sup> Vacancy trends for June 1968 showed 1,500 vacant units for sale in the city and 2,400 vacant units for sale in the county.<sup>13/</sup>

Most new construction in the city of St. Louis is multifamily. Ninety-five percent of all new units added since 1965 are multifamily.<sup>14/</sup> Of the 2,600 multifamily units under construction in the city in 1965, more than half were in high-rise projects with apartments renting from \$130 to \$350 per month.<sup>15/</sup> Much of the new construction in St. Louis County is also multifamily. The growth of multifamily units in St. Louis County since 1960 exceeds the total in existence in 1960.<sup>16/</sup> Between 1960-62 an annual average of 1,825 multifamily units were authorized for construction in the county; in 1965, the peak year, 6,075 multifamily units were authorized for construction.<sup>17/</sup> Of the 3,850 units of multifamily housing under construction in the Missouri suburbs in 1965,

practically all of the units were to be garden-type or four-story elevator structures, renting in the medium rent ranges.\* <sup>18/</sup> Vacancy trends for June 1968 show 8,500 vacant units for rent in the city of St. Louis and 3,100 vacant units for rent in St. Louis County. In part, the large number of vacancies in the city reflects what a 1968 FHA market analysis called "sluggishness of the market for upper income rental housing in luxury high-rise accommodations."<sup>19/</sup>

One very simple and plausible explanation for the different housing activity in the city of St. Louis and St. Louis County is land supply. The city of St. Louis has practically no vacant land supply on which to construct new housing.<sup>20/</sup> This, coupled with employment factors, explains why FHA, in 1968, projected a demand for 50 new single-family units in the city of St. Louis and 6,550 new single-family units in St. Louis County.<sup>21/</sup>

A 1968 FHA Market Analysis for the St. Louis area states: "Because of higher land costs in the central city, it is judged that single-family houses cannot be produced in St. Louis city to sell for much below \$15,000."<sup>22/</sup>

The same market analysis states: "Based on current trends in construction and land costs, it is judged that few, if any, acceptable single-family houses can be built to sell for much below \$12,500 in St. Louis County."<sup>23/</sup>

\* A study prepared for the National Commission on Urban Problems found that, other than mobile homes, the lowest cost form of housing is the low-rise multifamily type structure--the two, three, four-family house and the garden apartment.

NONWHITE HOUSING

Given the difference in housing supply in the city of St. Louis and St. Louis County and given the confinement of the black population to the city proper, it is hardly surprising that the housing situation for whites and nonwhites in the St. Louis metropolitan area is also a study in contrasts. The following figures, taken from 1960 census data, show nonwhites to be more likely to live in old, overcrowded, substandard rental housing.

	<u>White</u>	<u>Nonwhite</u>
Owner-occupied units	62 %	34 % <sup>24/</sup>
Substandard units	11.1 %	39.4 % <sup>25/</sup>
Overcrowded units	11.8 %	28 % <sup>26/</sup>
	<u>All</u>	<u>Nonwhite</u>
Owner-occupied units constructed prior to 1940	45.5 %	80.2 % <sup>27/</sup>
Renter-occupied units constructed prior to 1950	80.9 %	90.3 %

Unless one presumes a rather inordinate fondness for old housing on the part of the black population of St. Louis, other reasons must be found for the lack of nonwhite participation in the new housing activity in the St. Louis metropolitan area.

The most frequently proffered explanation is economic--the median income of black families in St. Louis is considerably below the median income of white families; therefore, black families cannot

afford to purchase the new housing being constructed, most of it in St. Louis County. While there are income disparities, this alone does not provide an adequate explanation, since at every income level nonwhites are more likely to be renters living in old, overcrowded, substandard housing.<sup>28/</sup>

#### ZONING AND LOWER INCOME HOUSING

At the present time, there is no public housing in St. Louis County with the exception of 150 units in the totally black city of Kinloch.<sup>29/</sup> There are approximately 8,000 units of public housing in the city of St. Louis.<sup>30/</sup> Only two projects have been constructed under the FHA 221(d)(3) Below-Market-Interest Rate program in St. Louis County. One is in a black urban renewal area in an unincorporated part of the county, Elmwood Park, the other at Jefferson Barracks in the southern part of the county.<sup>31/</sup> The Jefferson Barracks project was originally planned to be public housing.<sup>32/</sup>

Housing costs are rising in St. Louis County, just as they are rising nationwide. Local sources indicate that annual sales price increases averaging 5 percent for existing houses have been typical in the county since 1965.<sup>33/</sup>

Many recent studies have indicated that zoning regulations contribute to the nationwide shortage of housing for low and moderate income families.<sup>34/</sup> A study for the National Commission on Urban Problems

analyzed four metropolitan areas, including St. Louis, and found that zoning restrictions imposed on residential development greatly increase the value of residential land and the cost to consumers of housing constructed on such land. "In general the restrictions on residential development tend to increase land price directly and house price indirectly."<sup>35/</sup> The study found that four basic zoning techniques limit the number of housing units constructed and favor the construction of more expensive units:<sup>36/</sup>

1. Large lot or acreage zoning;
2. Zoning which requires a house to be above a certain minimum size;
3. Zoning which limits construction to single-family detached units; and
4. Excessive requirements for the width of a lot and the distance the front of a house must be set back from the front yard line.

Each of the 96 municipalities in St. Louis County has its own zoning regulations. Zoning in the unincorporated part of the county is controlled by the county council, with recommendations made by the county planning commission.<sup>37/</sup>

In April of 1965 a zoning ordinance was adopted for the unincorporated portion of St. Louis County which set aside about 90,000 acres for a nonurban NU district. The NU district requires a 3-acre minimum lot size for a single-family detached development.

The NU district represents more than 70 percent of the vacant residential land in the unincorporated area of St. Louis County. The zoning study noted that: "Between 1965 and March 1968 about 400 acres of vacant residential land were transferred from the NU district to some other classification. Thus within a three year period, about 5 percent of the unincorporated area's vacant residential land was released from the most restrictive zoning category."<sup>38/</sup> The study also states that: "Essentially the NU district has been employed as a holding area, an area in which the zoning restrictions are so great that it is hoped that no development will occur and the land will remain open awaiting subsequent rezoning for higher density."<sup>39/</sup>

With regard to St. Louis County, the study found that "administrative decisions concerning a desirable development are strongly biased in favor of developments which can at least pay their own way."<sup>40/</sup> For example:

The Parkway School District, embracing one of the most urbanized sections of the County, calculates that at present only homes costing over \$26,274 pay their way relative to educating children residing in the homes. Thus the school district policy has been to generally oppose additional rezoning of property into what it considers to be small lots, 10,000 square feet and smaller. Parkway wants low density development if it must have development.<sup>41/</sup>



St. Louis County has a procedure called the Planned Environment Unit. Under this procedure a builder may decrease front footage and put the extra land in open space as part of a subdivision. If a developer "uses the land for a combination of single-family units and multifamily units in a planned environment development, he can also increase his yield in the total number of dwelling units as much as 10 percent."<sup>42/</sup> An analysis of the zoning code in the unincorporated part of St. Louis County does reveal some flexibility. The county council has wide discretion--which makes the zoning process in the county one of ad hoc decisions by county officials.

#### SEPARATE HOUSING MARKETS

As stated before, it is impossible to explain the confinement of black families to the city of St. Louis and to older ghetto areas in St. Louis County by economic reasons alone. If it were assumed that whites and nonwhites with the same income were equally likely to be homeowners and equally likely to be living outside the central city, the expected number of black homeowners living in the suburban ring around St. Louis in 1960 would have been 29,021. The actual number was 11,310. If all nonwhite households in 1960 had been distributed in the St. Louis metropolitan area on the basis of income alone, there would have been 41,724 black families residing in the suburban ring. The actual number was 21,503.<sup>43/</sup>

Neither can economics explain the exclusion of black families from the southern portion of the city of St. Louis which has modest

rent units "available at \$60 monthly contract for two-bedroom units and \$75 for three-bedroom units."<sup>44/</sup>

An important part of the explanation for the confinement of the majority of black families in the St. Louis area to older, overcrowded, substandard housing in predominantly all-black areas in or on the fringes of the central city is the existence of a separate housing market for black families. The existence of such a separate housing market is widely recognized by Federal and local officials.

A report prepared by private consultants for the Webster Groves Land Clearance for Redevelopment Authority in 1959 was quite succinct:<sup>45/</sup>

The non-white population of the St. Louis Metropolitan Area has risen from 108,000 in 1940 to almost 300,000 in 1959. Relatively small amounts of new housing has been made available to nonwhite families but that which has been offered has been sold very quickly.

... Non-whites of all economic levels continue to meet strong resistance to their efforts to buy homes in or near white communities and the number of new housing developments made available to them has been completely inadequate to satisfy the demand. ... The Project Area [Webster Groves Urban Renewal] will provide the first opportunity in Greater St. Louis for non-white families to acquire homesites in a completely developed city. The sites will be served by paved streets, all utilities, and storm and sanitary sewers.

The mayor of Kirkwood in March 1961 submitted to FHA the following justification for FHA Section 221 Mortgage Insurance,<sup>46/</sup> which indicates his awareness of a separate housing market for black and white families in Kirkwood:

The total supply of rental housing for the next two years is expected to be:

<u>Rental Range</u>	<u>Total</u>	<u>White</u>	<u>Nonwhite</u>
\$70-79 per month	10	10	0
80-89 per month	22	20	2
90-99 per month	23	20	3
100 and over	55	50	5

The total supply of existing sales housing is expected to be as follows:

<u>Sales Price</u>	<u>Total</u>	<u>White</u>	<u>Nonwhite</u>
\$6,500-8,499	6	4	2
8,500-9,999	15	10	5
10,000-11,499	30	20	10
11,500-12,999	35	25	10
13,000 and over	55	50	5

New construction during the next two months is scheduled as follows:

<u>Sales Price</u>	<u>Total</u>	<u>White</u>	<u>Nonwhite</u>
\$8,500-9,999	5	5	0
10,000-11,499	18	15	3
11,500-12,999	34	30	4
13,000 and over	58	50	8

Applications to the Department of Housing and Urban Development (HUD) for certification of a Workable Program for Community Improvement contain a section outlining housing estimated to be available to displaced families and individuals in the locality. The form provided by HUD states: "The racial breakdown may be eliminated for any community in which it is a substantial fact that all housing resources, public and private, are fully available to all families without regard to race."<sup>47/</sup> The following housing estimates are taken from current Workable Program applications from various St. Louis County applicants.

University City estimates 195 rental units available to whites and 10 rental units available to nonwhites. Fifty-two sales units are estimated as available to whites and one sale unit as available to nonwhites.<sup>48/</sup>

All persons to be displaced in Webster Groves are nonwhite, so in Webster Groves' application, 75 rental units and 65 sales units are estimated as available to nonwhites. <sup>49/</sup>

Persons displaced in Olivette are also to be nonwhite but in Olivette's application, estimated available rental units are taken not from Olivette's housing supply, but from "listings for Metropolitan St. Louis." Sales units estimated to be available are only those units proposed to be constructed in the urban renewal project. <sup>50/</sup>

St. Louis County estimated 500 rental units as available to whites; 100 available to nonwhites. Sales units are listed as "limited" for both white and nonwhite in the low income bracket (less than \$3,000 income per year). <sup>51/</sup>

A report prepared by the Health and Welfare Council of Metropolitan St. Louis, entitled Population by Census Districts, St. Louis City, issued in January 1967, said: <sup>52/</sup>

The City of St. Louis is no exception to the pattern of racial segregation that exists in most large cities of the United States, and the situation has shown no improvement from 1960 to 1965.

\* \* \* \* \*

The pattern of the city's segregation is clearly demonstrated, and the meaning of the term "black belt," made obvious: the eight districts with more than 50% Negro populations are contiguous, running in a north-westerly direction from central downtown to the city limits. The seven districts with less than 1% Negro populations are also contiguous and form a "belt" going due west through the central part of south St. Louis.

A May 1969 memorandum regarding Model Cities relocation in the city of St. Louis prepared by HUD's Economic and Market 53/ Analysis Division states:

Vacant housing units exist in all parts of St. Louis City....The south end is not generally available to Blacks.... The north end is in a state of racial transition from White to Black. Standard sales housing is available in good supply at \$9,000 to \$12,000 for five to seven room houses.

While the existence of a separate housing market for black families in the St. Louis area is easy to document, the method by which such a market is maintained and perpetuated is less easy to demonstrate.

Since better than 70 percent of real estate transactions are handled by real estate agents, 54/ and since many mortgage loans are also arranged through real estate agents, the role of the real estate broker in maintaining a separate housing market for black families is primary. However, the private real estate industry is to a large extent influenced by and dependent on Federal housing policies.

## FEDERAL HOUSING PROGRAMS

FEDERAL OUTLAYS

According to the Federal Outlays report prepared by the Office of Economic Opportunity, in Fiscal Year 1968, both the Department of Housing and Urban Development and the Veterans Administration, had greater outlays in St. Louis County than in the city of St. Louis. <sup>55/</sup> These agencies administer the important housing programs in the St. Louis metropolitan area. In order to gain a greater understanding of the effect of Federal housing programs on the housing market in the St. Louis metropolitan area, the programs of the Department of Housing and Urban Development will be examined further.

HUD PROGRAMS

The following is a breakdown of HUD programs as they appear in the Federal Outlays report: <sup>56/</sup>

AMOUNT SPENT BY HUD BY PROGRAM, FY 1968

<u>Program</u>	<u>St. Louis County</u>	<u>St. Louis City</u>
Urban Renewal	29,350.	10,615,200.
Rehabilitation Grants	32,205.	62,232.
College Housing Construction	2,052,000.	--
Urban Beautification & Improvement	--	192,000.
Housing for Elderly & Handicapped	--	2,041,000.
Neighborhood Facilities	--	1,000,000.
Open Space Land Program	388,000.	50,000.
Urban Planning Assistance	872,892.	--
Urban Mass Transportation Grants	61,000.	61,000.
Mortgage Insurance-Low & Mod.-MIR	1,276,000.	186,000.
Mortgage Insurance-Low & Mod.-BMIR	1,832,000.	2,304,000.
Rent Supplement	125,000.	31,000.

Property Improvement Loans, Mtge. Ins.	6,905,000.	4,582,000.
Mortgage Insurance for Home Purchase and Improvement	43,808,000.	12,024,000.
Mortgage Insurance for Remainder Multi-family Programs	95,000.	--
Appropriations, Federal Housing Administration Fund	--	805,105.
<b>TOTALS</b>	<u>\$57,476,447.</u>	<u>\$33,953,537.</u>

The following table is a rough approximation of HUD assistance to the city of St. Louis and St. Louis County from the beginning of each program up to as near to the present as possible: <sup>5/1</sup>

<u>Program</u>	<u>St. Louis County</u>	<u>St. Louis City</u>
Open Space	337,404.	390,641. *
Water & Sewer Grants	827,500.	*
Public Works Planning Advances and Public Facility Loans	235,277.	127,327.
701 Planning Grants	387,298.	**
Urban Renewal	11,899,626.	72,032,000.
Model Cities		728,805. *
Neighborhood Facilities		1,300,000.
Rent Supplement	125,000.	208,000.
Public Housing	2,437,321	115,044,694.
FHA Mortgage Insurance	<u>1,087,914,000.</u>	<u>379,794,000.</u>
Total	\$1,104,163,426.	\$569,625,467.

From the above rough figures, it can be seen that certain HUD concentrated in the city and others in the county. Over 20 percent of HUD's financial outlay in the city of St. Louis has been for public housing. Ninety-eight percent of HUD's financial outlay in the county has been for FHA mortgage insurance programs. More pertinent, however, to

\* Open Space and Water and Sewer grants have been approved for the city for the Model Cities area, and have been included in the Model City total.

\*\* Section 701 planning grants to the East-West Gateway Coordinating Council and to the St. Louis Metropolitan Sewer District have been omitted since they apply to both City and County.

the purpose of this paper is the influence these programs have had on the housing situation for black families in the St. Louis metropolitan area. In order to determine this it is necessary to examine certain programs in detail.

#### PUBLIC HOUSING

In order to apply for public housing assistance a local government must establish a local housing authority (LHA) in accordance with State law.

Any program undertaken by the LHA must be approved by the local governing body. In addition, the community until very recently needed a Workable Program for Community Improvement certified by HUD. A Workable Program for Community Improvement is an official plan of action involving public and private resources to eliminate slums, prevent blight, and foster local development. Essential elements of the plan are code enforcement, comprehensive planning, provisions for housing and relocation, and provisions for citizen involvement. Although several municipalities in St. Louis County have a certified Workable Program, only Kinloch has a local housing authority.

The governing body of St. Louis County also has an LHA. In the 1950's the county LHA operated 956 temporary housing units at Jefferson Barracks in the south part of the county. The jurisdiction of the authority at that time was "all of St. Louis County with the exception of the City of Kinloch, which city has its own housing authority."<sup>58/</sup> In 1956, the county LHA applied to HUD for a program reservation of 600 units of public housing. Three hundred and fifty units were to be



constructed on the site of the old Jefferson Barracks, 70 units were to be constructed in Webster Heights (North Webster Groves) and the remaining 180 were to be used in an unincorporated area of St. Louis County.<sup>59/</sup> Because of strenuous local opposition, these units were never constructed.

Since work had already begun at Jefferson Barracks, the site was converted to an FHA insured multifamily project. According to local officials and others, local opposition to public housing was primarily racial.<sup>60/</sup> FHA considered the racial possibilities when doing a market analysis of the proposed 221(d)(3) project:

The nonwhite population in the south part of the County is nil. It is to be expected that the proposed project will not be attractive to these families, due to the fact of neighborhood desires and family ties.<sup>61/</sup>

The county LHA took no further action toward construction of low-income public housing until 1969.

A HUD Technical review of St. Louis County's Workable Program application in 1963 contains the following comment:<sup>62/</sup>

Note that county does not desire to develop any more low-cost housing than is needed by county residents for fear low-income families will move from the City. UR/Urban Renewal/ Project Plan /Elmwood Park/ calls for surplus housing which is feared by CAC /Citizens Advisory Committee/.

Recently, the county LHA has been rejuvenated. The jurisdiction of the LHA now covers only the unincorporated part of St. Louis County.<sup>63/</sup> The LHA has applied for 600 units of Turnkey Housing and 100 units of Leased Housing.<sup>64/</sup>

Turnkey Housing is low-income housing constructed by a private developer, purchased by the LHA, and either rented or sold to low-income families. Leased Housing is a process whereby the LHA leases dwellings from private owners and makes them available to low-income families at public housing rents. All of the leased housing units are expected to be located in housing constructed in the predominantly black Elmwood Park Urban Renewal area.<sup>65/</sup> The four approved Turnkey sites are scattered. One is in an all-black area of the county-- Meacham Park. The other three sites, one of which is to be for elderly housing only, are in predominantly white areas. A proposed site in the predominantly black community of Robertson has not yet been approved by HUD because the Federal Aviation Administration has found the site to be in the St. Louis airport's flight pattern.<sup>66/</sup>

The city of St. Louis has a public housing inventory of approximately 8,000 units.<sup>67/</sup> There are approximately 6,000 units of public housing occupied in the city. All of the projects are 85 percent or more black.<sup>68/</sup> In addition, there are 480 units of leased housing occupied in the city.<sup>69/</sup> In mid-1969, 1,357 of the city's public housing units were vacant.<sup>70/</sup> Two of the city's public housing projects-- W.O. Pruitt and W. L. Igoe--are only 60 percent occupied and have attained national fame as examples of what not to build in public housing. Despite the vacancy rate in public housing in the city of St. Louis, HUD has recently approved approximately 2,800 more units of public housing for the city, much of which will be Turnkey.<sup>71/</sup> Most of the existing and proposed sites are in predominantly black areas within the city.<sup>72/</sup>

FEDERAL HOUSING ADMINISTRATION PROGRAMS (FHA)

FHA mortgage insurance programs are designed to reduce the risks of mortgage lenders in order to induce them to make credit available for mortgage lending by insuring the credit available on more liberal terms. In return for a premium paid by the borrower, FHA insures the lender against the risk that the borrower will default. FHA does not keep a record of mortgage applications by race and it is difficult to determine the extent to which black families are taking full advantage of FHA programs. With HUD figures indicating that FHA has insured more than three times as many houses in St. Louis County as in the city of St. Louis, for more than four times as much in mortgage values,<sup>73/</sup> it is reasonable to assume that black families, confined for the most part to the city of St. Louis, have not participated widely in FHA mortgage insurance programs. The statistics available for the St. Louis area substantiate this assumption.

In 1963, the Housing and Home Finance Agency issued a report entitled, Potential Housing Demand of Non-White Population in Selected Metropolitan Areas.<sup>74/</sup> St. Louis was one of the metropolitan areas included in the report which found that "if nonwhites had shared in homeownership equally with whites in the same income group, both the rate of homeownership by nonwhites and the value of homes that many minority families could have owned would have been much higher."<sup>75/</sup> The report also said: "There exist many nonwhite families within the range of the FHA new home insurance program whose market potential has never been explored."<sup>76/</sup>

The figures given for St. Louis were as follows:

<u>77/</u>		
<u>Median Value of Owner-Occupied Homes</u>		
<u>Income</u>	<u>White</u>	<u>Nonwhite</u>
Under \$4,000	\$ 9,975	\$ 6,250
\$4,000-\$5,999	\$11,375	\$ 8,125
\$6,000-\$6,999	\$12,600	\$ 8,475
\$7,000-\$9,999	\$13,800	\$10,700
\$10,000 and over	\$18,100	\$11,650
<u>Distribution of owner-occupied homes</u> <u>valued at \$15,000 or more owned by</u> <u>families with income of \$7,000 to</u> <u>\$10,000 per year</u>	<u>White</u>	<u>Nonwhite</u>
	34,332 (28%)	402 (7%)
<u>Additional homes needed for nonwhite</u> <u>owners to reach white percentage</u>	-----	1,294

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In the summer of 1967, FHA conducted a one-time survey of minority group occupancy in subdivisions built since 1962. <sup>79/</sup> Of the 408,096 housing units included in the national survey, 13,846, or 3.3 percent were reported as sold to black families. The number of units sold to black families in the St. Louis area was reported as 56, or .85 percent of the total.

At least five of these units were described as located in an all-black subdivision in Kinlosh. <sup>80/</sup>

When considering the lack of black participation in FHA home mortgage programs, both in St. Louis and nationally, it must be remembered that FHA does no marketing itself. All FHA financed houses

are marketed through private channels. Even when there is a default under an FHA mortgage, the property acquired by FHA is managed and sold by private real estate brokers.<sup>81/</sup>

FHA, however, has responsibilities imposed upon it by statute and Executive order. In 1962 the President issued Executive Order 11063 which required all Federal agencies with housing functions to "take all action necessary and appropriate to prevent discrimination because of race, color, creed or national origin ... and to use their good offices and take other appropriate action permitted by law ... to promote the abandonment of discriminatory practices with respect to residential property and related facilities heretofore provided with Federal financial assistance. The Federal financial assistance covered specifically included "loans ... insured, guaranteed or otherwise secured by the credit of the Federal Government."

Six years later Congress passed the Civil Rights Act of 1968, Title VIII of which is the Fair Housing Law. Title VIII states: "It is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States." Title VIII covers discrimination in sale or rental, discrimination in the terms of sale or rental, discrimination in advertising of sale or rental, false representation in sale or rental, blockbusting, and discrimination in financing. Section 808(e)(5) of Title VIII reads: "The Secretary of Housing and Urban Development shall ... administer the programs and activities relating to housing and urban development in a manner affirmatively to further the policies of this title."

A number of FHA insurance programs are especially designed to encourage lenders to make mortgage funds available to low- and moderate-income families. Some of these programs are being utilized in the St. Louis metropolitan area.

Section 221(d)(3) Market Interest Rate (MIR) - This program offers mortgages with special terms (which may be as much as a 100 percent loan) to finance the construction or rehabilitation of rental and cooperative housing projects. Although the program was intended to provide housing within the means of low- and moderate-income families, no income limits are involved. Until passage of the 1969 housing legislation, this housing had to be located in a community with a Workable Program.

There are two such projects in St. Louis County, one with 104 units located in Kinloch, the other with 100 units, still under construction, located in an urban renewal area in University City.<sup>82/</sup>

The Kinloch project contains the only rent supplement housing available in St. Louis County.<sup>83/</sup> Under the rent supplement program, administered by FHA, the difference between 25 percent of a tenant's income and the fair market rental for his unit is paid by FHA to the owner of the housing project.<sup>84/</sup> A proposed rent supplement project for Webster Groves was canceled in early 1969 because the Webster Groves City Council denied a rezoning request which would have

allowed its construction.<sup>85/</sup> The Webster Groves City Planning Commission had recommended denial of the rezoning request before the City Council took its action.\*

There is also very little rent supplement housing in the city of St. Louis. At the present time there are 18 occupied units located in housing rehabilitated under Section 221(d)(3) MIR and 120 occupied units located in housing constructed under Section 202, Housing for the Elderly. Section 202 Housing for the Elderly is a program of long-term low-interest loans for the construction of housing for elderly or handicapped persons. The program was administered by the Housing Assistance Administration (Public Housing) but has now been converted to Section 236, an FHA mortgage insurance program, providing rental housing for low income families.<sup>7</sup> There are an additional 116 units of rent supplement under construction in the city's West End Urban Renewal area and 78 units proposed for the same area.<sup>86/</sup>

Section 221(d)(3) Below Market Interest Rate (BMIR) - This program offers mortgages with special terms at an interest rate of 3 percent to finance the construction of rehabilitation of rental and cooperative housing projects for people whose incomes must fall within prescribed limits. Until recently, this housing had to be located in a community with a Workable Program.<sup>87/</sup>

\* An article in the January 9, 1969 St. Louis Globe Democrat quotes developer Benny Gordon as charging that the Council rejected the plan "because of prejudice."

No projects under Section 236 have yet been constructed in the St. Louis metropolitan area, but three Section 202 projects which had already been approved are being converted to Section 236. Two of them are located in St. Louis County, one with 195 units in University City, the other with 195 units in Saint Anne. A third converted Section 202 project is located in the city of St. Louis. The St. Louis insuring office has given tentative approval to two new Section 236 projects, one to be located in an urban renewal area in University City, the other to be located in an urban renewal area in the city of St. Louis.<sup>91/</sup>

Section 235, Interest Supplements on Home Mortgages - This program, also established under the 1968 Housing and Urban Development Act Law provides for monthly payments by HUD to the lender on behalf of low-income purchasers of homes. The payments are designed to reduce interest costs to the purchaser to as low as 1 percent. The purchaser must pay at least 20 percent of his adjusted monthly income on the mortgage. This program supersedes Section 221(h), Rehabilitated Homes for Low-Income Buyers.<sup>92/</sup>

The Section 235 program is supposed to enable families with incomes in the general range of \$3,000 to \$7,000 to buy houses.<sup>93/</sup> The amount of the mortgage is not to exceed \$15,000, or \$17,500 in high cost areas.<sup>94/</sup> (St. Louis is considered to be a high cost area.) This amount was raised by 1969 legislation to \$18,000, or \$21,000 in high cost areas.<sup>95/</sup>



St. Louis County has two such projects, one with 304 units located at Jefferson Barracks in the unincorporated part of the county and one with 50 units located in the all-black Elmwood Park Urban Renewal area. There are an additional 160 units under construction at Elmwood Park. The city of St. Louis has 1,120 units of Section 221(d)(3) BMIR housing with an additional 41 units under construction. <sup>88/</sup> Included in the University Heights projects are 656 units in an area known as LaClede Town, which is nationally known as a successfully integrated urban renewal area. The example of LaClede Town led HUD to make the city of St. Louis one of the eight prototype sites for Operation Breakthrough. <sup>89/</sup> If LaClede Town is a meritorious exception nationally, it is also an exception in St. Louis itself.

Section 236 Interest Supplements on Rental and Cooperative Housing Mortgages - This program was established by Title II of the 1968 Housing and Urban Development Act. It provides for monthly payments paid to lenders on behalf of borrowers who construct rental or cooperative housing projects for low-income families. The payments cannot exceed the difference between the amount required for principal, interest and mortgage insurance premium on a market-rate mortgage, and the amount required for principal and interest on a mortgage at 1 percent interest. The purpose of the payments is to bring the monthly rental charges down to a level that low-income families can afford to pay with 25 percent of their adjusted monthly income. The program will supersede programs under Section 221(d)(3), and Section 202 (Housing for the Elderly) of the National Housing Act of 1947 as amended. <sup>90/</sup>

High hopes are pinned upon the Section 235 program. As Senator Jacob K. Javits said, the program is expected to "do much to alleviate the grinding need for satisfactory housing for low- and moderate-income persons."<sup>96/</sup>

There is some housing being constructed under Section 235 in the St. Louis area. Thus far, only 35 units have been approved for construction in the city of St. Louis. One hundred seven units have been approved for construction in St. Louis County. All of the units will be in predominantly black areas and will be located as follows: 25 units in Kinloch, 23 units in North Webster Groves, 15 units in Robertson, and 44 units in Elmwood Park.<sup>97/</sup>

Theoretically, FHA does not determine the location of new housing constructed under its programs. In fact, however, FHA exerts great influence on location through its preconstruction commitment for mortgage insurance. The philosophy of the St. Louis FHA Insuring Office regarding the location of low-income housing is exemplified by the following:<sup>98/</sup>

The location factor is of especial importance in the provision of new units at the lower-rent levels. Families in this user group are not as mobile as those in other economic segments; they are less able or willing to break with established social, church, and neighborhood relationships, and proximity to place of work frequently is a governing consideration in the place of residence preferred by families in this group. Thus, the utilization of lower-price land for new rental housing in outlying locations to achieve lower rents may be self-defeating unless the existence of a demand potential is clearly evident. (Emphasis added.)

Section 235 can also be used for existing housing. Under the 1968 Housing Act, 25 percent of the total amount of contracts authorized to be made before July 1, 1969, were applied to existing housing. Under the 1969 Housing Act, 30 percent of the total amount of the contracts authorized in fiscal years 1970 and 1971 can be used for existing housing. These percentages apply nationwide, but during the past year some individual insuring offices were authorized by FHA to allot more or less of their Section 235 contracts to existing housing. The St. Louis Insuring Office is using more than 40 percent of its section 235 contracts for existing housing. <sup>99/</sup>

Since housing selling for \$17,000 or less is available in St. Louis County, <sup>100/</sup> and since the Insuring Office estimated that 85 percent of existing housing under Section 235 was purchased by black families, <sup>101/</sup> it could be expected that this program was offering an opportunity for black families to move into standard housing throughout the St. Louis metropolitan area. The St. Louis Insuring Office and regional office in Ft. Worth were unable to furnish staff members with information as to the location of the existing houses being purchased under Section 235. The FHA Record Center in Washington, D.C., however, did have some case files available on Section 235 mortgages in the St. Louis area. Seventy-nine case binders representing over one-fourth of such mortgages in the St. Louis area were selected at random. An analysis of these binders by Commission staff yielded the following information. <sup>102/</sup>

LOCATION

Sixty-eight of the 79 houses (86 percent) are in predominantly black or changing neighborhoods:

37	City of St. Louis
8	University City
5	Wellston
3	Pagedale
3	Webster Groves (North)
2	Velda Village and Velda Village Hills
2	Rock Hill
2	Pine Lawn
1	Kinloch
1	Kirkwood
1	Arbor Terrace
1	Berkeley
1	Northwoods
1	St. Louis County
<hr/>	
68	

AGE

Twenty-eight (35 percent) of the houses are 49 years old or older.

Five houses are 70 years old.

The average age of the houses is 41 years (48 years in the city of St. Louis).

The majority of the mortgages were for 30 years; the shortest was for 20 years.

CONDITION

Twenty-two (28 percent) of the houses had received adverse appraisal remarks.

Eighteen houses (23 percent) were considered to have an estimated physical life of 40 years or less.

Some of the adverse appraisal remarks were:

Bath opens into kitchen, through Bath to Basement stairs.  
/House was initially rejected./

Value and economic life based upon repairs.

Only bath serving property in basement.

All windows and doors fit loosely and should be weather-tight.  
Heat bills are likely to be excessive.

Poor maintenance; expressway on East Road; Noise.

Property subject to noise from airport.

#### SELLER

Twenty (25 percent) of the houses were owned by the same seller who was identified on one of the FHA appraisal forms as a "speculator."

#### BUYER

The typical buyer (57, or 72 percent) was a single woman with children. The number of children ranged from one to nine, with the average number being four.

#### BROKER

Twenty-three (29 percent) of the houses were sold by the same broker, who worked in conjunction with the "speculator" on 19 out of 20 of the houses.

#### PRICE

The average sale price of the houses was \$12,700. They ranged in price from \$7,300 to \$17,050.

According to the report of the House Banking and Currency Committee, the Committee expected "that the Secretary will allocate contract funds between existing and new housing units in a manner which furthers the long-range housing goal of providing a decent living environment for all American families."<sup>103/</sup> Much of the existing housing which is being purchased under Section 235 in the St. Louis metropolitan area is old, segregated, and sometimes not expected to outlive its mortgage. Once again, the separate housing market for black people in St. Louis is having its effect--with the benefit of a Federal subsidy.

#### URBAN RENEWAL

The purpose of urban renewal grants and loans is to help finance blight elimination through land acquisition, demolition, rehabilitation, and new construction. Some of the programs related to urban renewal are: Community Renewal--grants for preparing and revising a community's renewal strategy; Code Enforcement--grants for planning and administering local housing code enforcement programs, including funds for public improvements such as sidewalks and street-lighting; and Demolition--grants for demolishing structures found to be unsound or unfit for human habitation under State or local law. Relocation funds and rehabilitation grants and loans are available under these programs. A certified Workable Program is required.<sup>104/</sup>

Both the city of St. Louis and St. Louis County have urban renewal and code enforcement programs in various stages of execution. The city also has demolition and community renewal programs. One of the city's urban renewal projects, Mill Creek Valley, contains the well-known LaClede Town. Another of the projects, Kosciusko, is primarily industrial. A third, Memorial Plaza, faces the famous St. Louis Arch. The city has two projects, West End and Grandel, in early stages of execution and one, Desoto-Carr in the early planning stage. Approximately 76 percent of the families displaced in the city have been black.<sup>105/</sup>

The urban renewal projects in St. Louis County are distributed as follows: Moline Creek, located in Kinloch; Delmar Loop, Eastgate/Westgate, and Cunningham Park, located in University City; Elmwood Park, located in the unincorporated part of the county; North Webster Groves, located in Webster Groves; and Olivette-Elmwood Park, located in Olivette.<sup>106/</sup>

#### University City

In addition to its three urban renewal projects, University City has received three code enforcement grants from HUD. All of the programs are still in execution. Approximately 95 percent of the displaced families and potential displacees are white.<sup>107/</sup> Although many of the displacees are low- or moderate-income families; University City does not have a local housing authority and has constructed no public housing.

HUD staff recognizes the need for low-income housing for displaced families in University City and have proposed solutions as follows:

1963--Some few units of Low-rent Public Housing may be needed. We have therefore, requested that the LPA /1ocal urban renewal agency/ obtain assurance that any needed Low-rent Public Housing units can be made available. 108/

The number of families in question, 21, were then, at HUD-s request, scheduled to be relocated into low-rent public housing in the city of 109/ St. Louis.

1966--Since U. City does not have low-rent public housing, qualified applicants could possibly be accommodated by public housing, in St. Louis. They usually have a high vacancy rate. 110/

As a requirement under its Workable Program, University City once had a Minority Group Housing Subcommittee of its Citizens Advisory Committee.\* This was disbanded because of duplication of effort by the University City Human Relations Commission. 111/

#### Kinloch

Kinloch was the first municipality in St. Louis County to begin an urban renewal project. 112/ Low- and moderate-income housing in Kinloch has been constructed in conjunction with the urban renewal activities. Because of the weak financial condition of the city government, HUD was hesitant about making the urban renewal grant but did so after encouragement from certain Missouri Congressmen. 113/ The first Director of the Land Clearance for Redevelopment Authority (LPA)

\* These committees fulfill the citizens participation requirement of the Workable Program for community improvement.



resigned during the first year to accept a position with the Metropolitan Transit and Transportation Survey, located in Clayton. A part-time Director, located in Brentwood, took over the project. HUD staff members disagreed with this arrangement.

A full-time director of LHA and LPA will have to be employed before this community can go very far on Urban Renewal, and in my opinion this would be a job which would be difficult for the best of men. 114/

The advantages of having all urban renewal activity concentrated within the Kinloch Housing office are recognized. But considering the fact that Kinloch is a 100 percent non-white city and noting that competent administrative talent is nonexistent within the immediate community, it is doubtful that capable personnel willing to operate from Kinloch and still acceptable to Kinloch City Officials, could be found. 115/

In July 1967, 11 years after the project began, the local urban renewal office in Kinloch was closed. A HUD staff member, located in the city of St. Louis was assigned to carry out the remaining activities of the project. 116/ In September 1967 the Chairman of the Kinloch Land Clearance and Redevelopment Authority Commission requested the assistance of a part-time typist and was informed by the HUD staff member that he could dictate any official letter he had to the HUD staff member's secretary over the phone. 117/

As of July 1969, the Kinloch project contained one family to be relocated, one structure to be demolished, and 779,000 square feet of land to be sold for development. 118/ The HUD staff member handling the project informed Commission staff that the Kinloch project is

in an informal receivership. When Commission staff mentioned that Kinloch residents had expressed a desire for a professional building to be constructed in the urban renewal area, the HUD official said that authorities had told him there was no need for such a building in Kinloch. <sup>119/</sup>

### Olivette

Olivette received funds to begin planning its urban renewal project in 1961. <sup>120/</sup> All of the displaced families were to be black. A HUD field trip report stated: <sup>121/</sup>

The Olivette Authority would like to relocate the only Negro families in Olivette (about 30) across the track in Elmwood Park. Outside the city limits of Olivette, However, if such a relocation plan won't work out, the Authority has agreed to the creating of a small residential area at an appropriate location within the project boundaries.

A 1961 HUD Economic Review of the project stated: <sup>122/</sup>

No Low-Rent Public Housing is in Olivette and none is planned. The City of St. Louis has low-Rent Public Housing that might be made available to some of the displaced families; however, the City of St. Louis will probably give first priority on its Low-Rent Public Houses to its displaced families.

\* \* \*

The LPA is experienced in relocation planning, but the apparent racial and economic nature of Olivette preclude successful relocation within the City. This is based on the assumption that the project area contains about all the non-white families in the City and upon the assumption that there is no low cost housing in Olivette, excluding that in the project area. The LPA will need to develop a rather exacting relocation plan before execution begins.

In February 1963, HUD staff made the following comment regarding relocation for Olivette. It implies a tacit knowledge and acceptance of the separate housing market in the St. Louis area: 123/

A substantial supply of existing sales and rental housing, much of it suitable costwise for subject project displaced families, continues to be available in the metropolitan area. Much of this housing is in the western part of the City of St. Louis. Even considering the competing demands for this housing, a sufficient supply is expected to exist for at least the next year or two.

In June 1963, the Urban Renewal Commissioner in Washington, D.C., informed the Fort Worth regional office that the displaced nonwhite families in Olivette had to be rehoused within the corporate limits of Olivette. 124/

As of November 1969, no land in the Olivette urban renewal area had been advertised for development and plans to provide relocation housing for displaced families were still uncertain.

#### Webster Groves

The North Webster Groves urban renewal project began in 1958 and is nearly completed. More than 95 percent of the families relocated under the project were black. 125/

The city has applied for funds for a second urban renewal project, Webster Heights, but the project is being delayed because of the inadequate relocation done under the North Webster Groves project. 126/ All of the families expected to be relocated under the proposed project will be black. 127/

HUD officials were aware of the potential relocation problems for the North Webster Groves project while it was still in its early stages. The following comments are taken from a memorandum written 128/ in January of 1960.

The LPA Local Public Agency recognizes, however, that 30 families will have to leave the area -- approximately 1/3 of the displacees. The LPA believes that these 30 will be able to find "standard" housing -- either public or private -- in the metropolitan area. A letter from the LHA Local Public Housing Authority of St. Louis is provided.

\* \* \* \*

Using the premises that housing -- private or public -- is readily available in the metropolitan area, the conclusion can be reached that relocation is feasible. This also assumes, of course, that the public housing is acceptable to and will be made available to the lowest income families. According to the plan, only 30 families (lowest income) will have to leave the project -- and the city.

\* \* \* \*

On the other hand, the redevelopment plan proposed by the appraisers -- in line with the re-use value of the lots -- indicates a minimum sales price for new housing at \$11,000, running on up to \$30,000. Available figures indicate that only 14 of the 93 families could afford housing under such a plan, necessitating the relocation of some 77 families out of the project, and out of the city.

A June 1960 HUD document once again implies a tacit knowledge and acceptance of the separate housing market in the St. Louis area: 129/

There are on the average 215 houses in Webster Groves for sale per year, and 600 units of rental housing of which an estimated 1/3 are for Negro occupancy generally. In addition, 55 single-family houses in the Rock Hill neighborhood which is in transition from white to Negro occupancy and within the Webster Groves school district, are available in the price range of \$7,000 to \$25,000. This neighborhood is immediately adjacent to the North Webster Groves project and composed of standard existing housing which apparently is attractive to site occupants.

The city of Webster Groves has no local housing authority, nor any public housing program. At the insistence of HUD, the city agreed to construct, through a nonprofit organization, 15 units for marginal families and to supplement the rental for these units for 5 years. When, at one point in 1963, HUD requested the city to prolong the period of assistance to 20 years, the Chairman of the Webster Groves Land Clearance for Redevelopment Authority (LPA) told HUD that the project would be "doomed".<sup>130/</sup> A HUD report of a meeting between HUD officials and the LPA stated: "He [the Chairman] made it clear that whatever was decided would be on a 5 year basis and at the end of 5 years that the nonprofit organization would pull out and the families would have to 'root hog or die'".<sup>131/</sup> The LPA was allowed to limit the period of assistance to 5 years.<sup>132/</sup>

#### Elmwood Park, St. Louis County Unincorporated Area

The Elmwood Park urban renewal project is in the final stages of completion.<sup>133/</sup> Most of the families displaced by the project were black, but due to construction of approximately 312 new units of moderate-income housing in the urban renewal area, some of the dislocated families have been able to resettle in Elmwood Park.<sup>134/</sup>

Although there is no conventional public housing in the unincorporated part of the county, there is a local public housing authority. The LHA has applied for 600 units of Turnkey housing and 100 units of Section 23 Leased housing.<sup>135/</sup> All of the Leased housing will be located in Elmwood

<sup>136/</sup> Park. In addition, the St. Louis County Redevelopment and Land Clearance Authority is carrying out a project under the Low-Income Housing Demonstration Program. This program provides grants for developing and demonstrating new or improved means of providing housing for low-income people.<sup>137/</sup> The county's grant, in the amount of \$105,321 in 1963, was used to subsidize rents for 39 families residing in Elmwood Park.<sup>138/</sup> Some of the families have moved and others increased their income, so that there are now only 14 families remaining in the program.<sup>139/</sup>

The Elmwood Park urban renewal project was not carried out without difficulties. A 1958 HUD memorandum summarizes the usual relocation problems and, once again, implies a tacit knowledge and acceptance of the separate housing markets in the St. Louis area.<sup>140/</sup>

You will note that the majority of the 855 families who will be displaced over the next two-year period are non-white. This poses quite a relocation problem for St. Louis County, since housing available to Negroes is very limited in the County. The Meacham Park project /the first plans called for renewal in Meacham Park, Webster Heights, and Robertson as well as Elmwood Park/ will be redeveloped entirely for residential reuse providing new homes for Negroes. Availability of this and present open land in the area alleviates the shortage of building sites. However, it is our opinion that in order to rehouse many of the families it will be necessary to utilize available resources in the City of St. Louis that are within a reasonable commuting distance from places of employment of families to be displaced.

A 1960 HUD memorandum notes that, since the St. Louis City Housing Authority agreed that public housing units in the city of St. Louis could be made available to Elmwood Park residents at the rate of 50 to 60 families per month, "relocation resources will be available in sufficient quantities, if the families living in Elmwood Park are willing to move to the city of St. Louis."<sup>141/</sup>

In 1965, the grand jury of St. Louis County, Missouri, January Term, issued a report, stating as follows regarding the Elmwood Park urban renewal project:<sup>142/</sup>

The Elmwood Park Project is an evasion of responsibility and intent.

\* \* \* \* \*

The plan has practically wiped out an enclave of Negro property holdings of nearly a century's duration; a unique county community where there never was any question of the right of Negroes to buy, own and rent property.... Despite wide diversification in wealth, income and education there still was a community cohesiveness which may have been dictated by the fact that it was the only community in that area open to non-white purchasers. The plan to date holds little promise for most of its former occupants to return to the community in which they lived so long.

The grant jury report, together with concerted action by residents of the urban renewal area, resulted in an investigation by HUD officials, which in turn led to the ultimate construction of relocation housing in Elmwood Park discussed above.<sup>143/</sup> Although the new housing available in Elmwood Park is in wide demand,<sup>144/</sup> the project is all-black and is almost totally surrounded by industrial areas. There are as yet no

service or retail establishments available in the immediate area <sup>145/</sup> and the concentration of much of the county's low- and moderate-income housing in the area makes it, in some ways, an economic as well as racial ghetto.

As part of its Workable Program, St. Louis County has a Citizens Advisory Committee and a Minority Group Housing Subcommittee. The performance of these committees has not always been satisfactory to HUD. In 1964, a HUD Relocation Representative visited St. Louis County and wrote a report noting that in 1962, 1963 and 1964, the county had failed to receive recertification of its Workable Program in part due to lack of meetings of the CAC Citizens Advisory Committee<sup>7</sup>. His field interviews revealed that: "None of the members of the Minority Group Housing Subcommittee were aware of their appointment. The former County Supervisor evidently just extracted the names of the three non-white members of the Citizens Advisory Committee and created an ersatz subcommittee."<sup>146/</sup> Approval of the county's most recent 1969<sup>7</sup> Workable Program application was held up until the county provided HUD with a copy of the names of the members of the CAC and the Minority Group Housing Subcommittee.<sup>147/</sup>

#### Meacham Park

St. Louis County also applied for urban renewal funds for a project to be located in Meacham Park.<sup>148/</sup> The project has not yet resulted in construction. HUD files indicate that in 1960 relocation



problems were expected. The project would have displaced 346 families, 316 of whom were black. One 1960 HUD memorandum suggested the following solution, again indicating a tacit knowledge and acceptance of the separate housing market in the St. Louis area: <sup>149/</sup>

In addition, there are existing sales and rental units available to these families in the metropolitan area, including the county, adequate in size and price to fulfill the needs for rehousing and within commuting distance of the places of employment. One transition area, presently transitioning from Jewish to Negro occupancy, provides an excellent resource of fine homes in a good neighborhood and rental units over and above those reported by the LPA will become available in this area.

The same HUD memorandum indicates that public housing in the city of St. Louis was, once again, expected to be used as a relocation source: <sup>150/</sup>

Following the completion of my review of the subject document, you spoke to C.L. Farris, St. Louis Housing Authority, about the use of low-rent public housing units as resources for the eligible families St. Louis County expects to displace from the Meacham Park Project. I understand Mr. Farris told you his July 26, 1959, letter of agreement would still be valid and that public housing resources in St. Louis could be counted as resources for Meacham Park displacees.

#### Kirkwood

The city of Kirkwood applied to HUD in 1959 for planning funds for two urban renewal projects to be located on Monroe Place and Fillmore Avenue. <sup>151/</sup> The projects died in November 1961 when a bond issue on the city's share of the project cost was defeated. <sup>152/</sup> Most of the displaced families would have been black. <sup>153/</sup>

The city began considering the project after it received a petition signed by more than 300 individuals living in Meacham Park requesting that the area be annexed to Kirkwood. Kirkwood officials felt that if the city were to annex Meacham Park, it would need Federal aid to improve the area. <sup>154/</sup> When the county applied for urban renewal funds for Meacham Park, Kirkwood decided not to annex Meacham Park but to use urban renewal to improve "blighted areas" within Kirkwood. <sup>155/</sup> Kirkwood has no local housing authority and has no public housing. According to HUD files, relocation was planned in part as follows: <sup>156/</sup>

The lowest income families have available to them Low-rent Public Housing in the city of St. Louis. Also, the neighboring community of Meacham Park will provide lower cost building sites as well as some lower cost housing.

#### PUBLIC WORKS PLANNING ADVANCES, WATER AND SEWER

Public Works Planning Advances are interest free advances to local public bodies for feasibility studies and preliminary or final plans for all types of public works except public housing. The advance need not be repaid until the planned facility is actually under construction. The St. Louis Metropolitan Sewer District, which includes the city of St. Louis and St. Louis County, received a public works planning advance of \$254,654 in 1958. This was used to help the district organize and plan its initial project. Public works

planning advances have since been received by the district to plan for incinerators in St. Louis County and a watershed in the Watkins Creek area of the county. <sup>157/</sup>

The Water and Sewer program consists of grants to local public bodies for the eligible costs of construction of water and sewer facilities. Legislation allows the grants to be given to any size locality, but policy usually limits them to newly developing communities. No such grants have been made to the city of St. Louis, other than a recently approved grant of \$50,000 for the Model Cities area. <sup>158/</sup>

According to HUD requirements, applicants for water and sewer grants must submit a map of the geographic area included in the district. <sup>159/</sup> The map must indicate nonwhite concentrations and show whether nonwhite populations are receiving water and sewer service. Although the St. Louis Metropolitan Sewer District has received water and sewer grants, no such map has been submitted by it to HUD. <sup>160/</sup>

According to the director of the Metropolitan Sewer District all municipalities and subdivisions in the county are being served. <sup>161/</sup> There are indications, however, that minority concentrations in St. Louis County are not being served. A letter from Senators Stuart Symington and Edward V. Long, and Congressman Thomas B. Curtis to HUD Secretary Robert Weaver, dated October 28, 1966, stated: <sup>162/</sup>

The lack of adequate sewer facilities for the two unincorporated communities of Meacham Park and Robertson, located within St. Louis County, Missouri, has been of special concern to us for many years. As you know, a delegation of interested citizens from these communities visited our offices this summer pointing out again the urgent need for some form of assistance.

Kinloch also received its water and sewer facilities by congressional intervention in the form of legislation.<sup>163/</sup> A HUD official stated that two newly approved water and sewer grants will enable the Metropolitan Sewer District to serve Robertson and Meacham Park. Neither project has yet been advertised for bids. The HUD official stated that the Park Project was originally proposed by the sewer district as a sanitary trunk to pass through, but not to serve, Meacham Park. HUD persuaded the district to include a lateral sewer system to serve Meacham Park. The HUD official did not know if there were any remaining areas of minority concentration in the sewer district which are not being served.<sup>164/</sup>

Two individual municipalities in St. Louis County have received public works planning advances--Baldwin for streets and storm sewers and Times Beach for water and sewer facilities.<sup>165/</sup>

#### SECTION 701, COMPREHENSIVE PLANNING ASSISTANCE

This is a program of grants to State agencies, metropolitan, nonmetropolitan, and regional planning agencies, cities, local development districts, counties, and interstate regional commissions for comprehensive planning for community development. Cities of over 50,000 were made eligible by the 1968 Housing Act but no extra

funds have been appropriated and no such grants are contemplated in the immediate future.<sup>166/</sup> The city of St. Louis has received no funds under this program. The following municipalities in St. Louis County have received 701 Planning Grants: Berkeley, Bridgeton, Crestwood, Creve Coeur, Fenton, Ferguson, Florissant, Kirkwood, Olivette (two), Shrewsbury and Wellston.<sup>167/</sup> The St. Louis Metropolitan Sewer District has also received a 701 Planning Grant. East West Gateway Coordinating Council], the regional planning organization for the St. Louis metropolitan area, has received approximately \$1,275,000 in 701 Planning Grants.<sup>168/</sup>

Up to the present time, none of the 701 planning funds received in the St. Louis area has been applied to solving the problems of housing. A HUD Planning Division Circular issued in October 1969, outlined a new requirement for the comprehensive planning program. Applications for 701 planning grants were directed to set aside 36 percent of the grant for housing.<sup>169/</sup> The Circular stated:

The basic purpose of this distribution is to make planning relevant to the kinds of development issues that are most critical at the present time. Greater emphasis is placed on socially responsive planning, especially housing, and the improvement of governmental management and coordination practices.

The current planning application from East West Gateway contains a housing component. The component states that racial discrimination is a housing problem in St. Louis County. The proposal of the St. Louis County Planning Commission, contained in the East West Gateway component, sets two planning goals for the Commission. One is to study the problems of citizen participation in the county; the other is to identify areas of blight and substandard housing in the county.<sup>170/</sup>

SUMMARY

Two basic facts emerge from the Commission's staff investigation of housing in the St. Louis metropolitan area:

First, a separate and unequal housing market exists for black families.

Second, Federal programs of housing and urban development not only have failed to eliminate the dual housing market, but have had the effect of perpetuating and promoting it.

Federal housing programs, while administered at the national level by the Department of Housing and Urban Development, generally are carried out by various elements of the local housing and home finance industry--public and private. For example, FHA mortgage insurance programs involve local sponsors, local builders, local real estate brokers, and local mortgage lending institutions. Urban renewal involves local public agencies. Public housing involves local housing authorities. In short, Federal housing programs depend in large part on local initiative, and decisions concerning their operation are made locally.

This, however, does not mean that local officials have the sole responsibility for the operation of local federally financed programs. The Department of Housing and Urban Development has a responsibility to assure effective administration of the programs within its jurisdiction. Further, pursuant to Executive Order 11063, the Department is under an affirmative obligation "to take all action necessary and

appropriate to prevent discrimination" with respect to the programs it administers. In addition, under Section 808(c) of the Civil Rights Act of 1968, the Department has been directed by Congress to "administer the programs and activities related to housing and urban development in a manner affirmatively to further the policies of fair housing." HUD has failed to carry out these affirmative obligations and has permitted its programs to be operated in a discriminatory manner in the St. Louis metropolitan area.

#### FHA Mortgage Insurance

Very few black families have participated in the benefits of FHA mortgage insurance programs in the St. Louis area. According to a 1967 survey of FHA subdivision homes, fewer than 1 percent were purchased by black families in the St. Louis metropolitan area. Nearly all of the housing constructed under FHA lower-income housing programs is located in predominantly black neighborhoods. Many of the existing houses being purchased under the FHA program of home ownership for lower-income families are old and segregated.

#### Urban Renewal

The overwhelming majority of the families displaced under St. Louis County urban renewal programs have been black. In each project, the local urban renewal authority, with the knowledge and acquiescence of HUD officials, has proposed public housing in the city of St. Louis as a principal relocation resource for the displaced families. Housing

in neighborhoods changing from predominantly white to predominantly black also has been singled out as a relocation resource for displaced black families, again with the full knowledge and acquiescence of HUD. Thus urban renewal in St. Louis County has had the effect of forcing black families into the central city and promoting the creation of segregated neighborhoods throughout the metropolitan area.

#### Public Housing

Only one municipality all black in St. Louis County currently has a local public housing authority and, although some units are in a preconstruction stage, no public housing yet has been built in the unincorporated part of St. Louis County. The overwhelming majority of public housing units in the St. Louis metropolitan area have been provided in the city of St. Louis. This, despite the substantial vacancy rate in existing public housing in the city and despite the fact that, from the practical standpoints of expense and accessibility to employment centers, it would be more feasible to provide low-income public housing in St. Louis County. HUD has permitted the various jurisdictions in St. Louis County to benefit from its programs on a selective basis, while rejecting public housing for its poor, black residents.



Metropolitan Development Programs

Although HUD is aware of the exclusionary policies of local jurisdictions in St. Louis County, it continues to furnish them with funds to plan and construct public facilities and to engage in comprehensive community planning which perpetuates the acknowledged segregated housing market in the St. Louis area.

Concluding Statement

As long as HUD continues to condone the discriminatory activities of the local housing and home finance industry--public and private-- there is little hope of relief for black families from the existing system of separate and unequal housing conditions, and there is little hope of reversing the trend toward increasing separation of the St. Louis metropolitan area into a poor, predominantly black central city and an affluent, predominantly white suburban ring.

FOOTNOTES\*

1. Department of Housing and Urban Development, Federal Housing Administration, Analysis of the St. Louis, Missouri-Illinois Housing Market as of August, 1965, Table X (1966). County percentage is for three counties in the St. Louis housing market area--St. Louis, St. Charles, and Jefferson Counties.

Hereinafter, the Department of Housing and Urban Development is referred to as HUD and the Federal Housing Administration as FHA.

2. HUD-FHA, Analysis of the St. Louis, Missouri-Illinois Housing Market as of June 1, 1968, Table VI (1969).

3. Supra note 1 at 22.

4. Id. at 21. County percentage is for three counties in the St. Louis housing market area--St. Louis, St. Charles and Jefferson Counties.

5. Id. at 20.

6. Supra note 2 at 26.

7. Id.

8. Supra note 1 at 20.

9. Supra note 2 at 22.

10. Id.

11. Id. at 27.

12. Id. at 26.

13. Id., Table VII.

14. Id. at 22.

15. Supra note at 32.

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\* All references to the Department of Housing and Urban Development which give a date prior to 1966 refer to agencies which subsequently became part of the Department when it was formed in 1966.

16. Department of Urban Affairs, Urban Research Center, Hunter College of the City University of New York, The Relationship of Zoning to the Housing Adequacy and Availability for Those of Low and Moderate Incomes (1968) (unpublished), hereinafter referred to as "Hunter Report".
17. Supra note 2 at 28.
18. Supra note 1 at 24.
- 18a. Supra note 2, Table VI.
19. Id. at 11.
20. Supra note 16.
21. Supra note 2 at 20.
22. Id. at 24.
23. Id. at 30.
24. R. Langedorf, The Negro and the Metropolis, June 1967 (unpublished) (Ph.D.) thesis in MIT Library), Table III F-1, at 347.
25. Id., Table III F-3, at 347.
26. Id.
27. U.S. Census of Housing: 1960, Vol II, Metropolitan Housing, Part 5, St. Louis SMSA, Tables A-1, A-2, A-11 and A-12.
28. Supra note 24, Table III-2 at 346.
29. HUD Memorandum, H. Earl Rosamond, Assistant Reg. Admin. for Housing Assistance, (undated). [References to "HUD" memoranda include references to documents prepared by the various agencies which were incorporated into the Department of Housing and Urban Development in 1966.]
30. HUD document, Development Cost Budget, Public Housing Administration, dated Sep. 26, 1969.
31. HUD document, FHA Section 221(d)(3) Below-Market Interest Rate Program, as of July 28, 1969.
32. Interview, Michael L. Galli, Director, St. Louis, Mo. Insuring Office, FHA, Nov. 10, 1969.
33. Supra note 2 at 26.
34. See for example, National Commission on Urban Problems, Building the American City (1968); President's Committee on Urban Housing, A

Decent Home (1968).

35. Id.
36. Id.
37. Interviews, Edward Golterman, chairman, St. Louis County Planning Commission; Lawrence Roos, supervisor, St. Louis County; November 1969.
38. Supra note 16.
39. Id.
40. Id.
41. Id.
42. Id.
43. The Negro and the Negro and the Metropolis, supra note 24, Tables IIIA-10 and IIIA-11.
44. HUD Memorandum, H. Earl Rosamond to G.A. Parker, Assistant Reg. Admin. for Model Cities, St. Louis, Missouri, "Revised Relocation Submission Economic and Market Analysis Division Review", May 16, 1969, at 2.
45. Report submitted to David L. Galbraith, Exec. Director, Land Clearance for Redevelopment Authority of Webster Groves, Mo., by Stephen F. Thornton and Tom McReynolds, "Reuse Appraisal, Market-ability Analysis of the Project Area in Webster Groves, Missouri", Dec. 24, 1959, at 11-12.
46. Justification for Section 221 Mortgage Insurance, mayor of Kirkwood, Mo., Mar. 7, 1961.
47. Application for Certification of Workable Program of Community Improvement.
48. University City Workable Program Application, Estimate of Relocation Housing Needs and Resources, (August 1967), at 21.
49. Webster Groves Workable Program Application, Estimate of Relocation Housing Needs and Resources, (July 1967), at 21.
50. Olivette Workable Program Application, Estimated relocation housing needs by income groups and anticipated housing resources by price and rent--next two years, (August 1968), at 13.
51. St. Louis County Workable Program Application, Estimate of Relocation Housing Needs and Resources, (March 1969), at 21.

52. Population by Census Districts, St. Louis City, Estimates by Age, Sex, and Color for 1965, Health and Welfare Council of Metropolitan St. Louis, Metropolitan Youth Commission, (January 1967), at 21.
53. HUD Memorandum, supra note 44.
54. Report of the President's Committee on Urban Housing, Technical Studies, Vol. II, 1968, at 128-129.
55. Federal Outlays in Missouri, Federal Information Exchange System, Office of Economic Opportunity, Fiscal Year 1968, Vols. I & II.
56. Id.
57. Information supplied by the Office of the Deputy Under Secretary, Department of Housing and Urban Development and program staff in Fort Worth HUD Regional Office.
58. HUD Memorandum, Wm. E. Bergeron, Director, Chicago Field Office, to Theodore A. Veenstra, Chicago Field Office, PHA, Jan. 4, 1956.
59. HUD Memorandum, Relocation-Racial Relations Findings and Recommendations (Preliminary Project Report), Apr. 24, 1958.
60. Interviews, Mrs. Ruby Koelling, Director, St. Louis County Housing Authority, Nov. 7, 1969; Mr. West, Chairman of St. Louis County NAACP, Nov. 11, 1969.
61. FHA Market Analysis, by Robert Martin, Feb. 15, 1962.
62. HUD WPFXI Technical Review-H-1082, Dec. 9, 1963.
63. Interview, Mrs. Koelling, supra note 60.
64. Interviews, Douglas Brewster, Management, Housing Assistance, HUD, and Grover Cloter, Production, Housing Assistance, HUD, Nov. 12-13, 26, 1969.
65. Interview, Mrs. Koelling, supra note 60.
66. Interview, Mr. Colter, supra note 64.
67. HUD document, Development Cost Budget, by Boyd L. Wilson, Sept. 26, 1969, and interview, Mr. Colter, supra note 64.
68. Id.
69. HUD Production Report, Region V, Leased Housing, week ending Nov. 7, 1969.
70. Interviews, Messrs. Brewster and Colter, supra note 64.
71. From information supplied by Production Division, Management Area Coordinator, and Economic and Market Analysis, HUD, Region V.

72. Map of existing and proposed Turnkey sites, St. Louis, Mo. (HUD).
73. HUD information, supra note 57.
74. Potential Housing Demand of Non-White Population in Selected Metropolitan Areas, HHFA, Office of the Administrator, (April 1963).
75. Id., Summary.
76. Id. at 10.
77. Id., Table D, at 35.
78. Id., Table G, at 52. The percentage (28 percent for white and 7 percent for non-white) indicate the proportion of families within the indicated income range owning homes valued at \$15,000 or more.
79. New Home Sales to Minority Households in Subdivisions Approved by FHA From November 20, 1962 to June 30, 1967, FHA, Zone V, St. Louis, Mo.
80. Id.
81. For a more detailed explanation of the relationship of FHA to the private housing market, see the 1961 U.S. Commission on Civil Rights Report, Housing.
- 81a. Catalogue of HUD Programs, issued by the Department of Housing and Urban Development, (June 1969) at 35. This program is based on Section 221(d)(3) of the National Housing Act of 1961, as amended. The Workable Program requirement was eliminated by Pub. L. No. 91-152 Section 213 (Dec. 24, 1969)
82. Interview, William Thomas, St. Louis Insuring Office, FHA, Jan. 2, 1970.
83. Interview, Mrs. Koelling, supra note 60.
84. Catalogue of HUD Programs (June 1969) at 29.
85. Interview, Mr. Thomas, supra note 82.
86. Id.
87. Supra note 81a. The 221(d)(3) BMIR program is based on the same statutory authority as the 221(d)(3) MIR program.
88. FHA Section 221(d)(3) Below-Market Interest-Rate Program as of Jul. 28, 1969. Interview, Mr. Thomas, supra note 82.
89. HUD News Release, Dec. 16, 1969.
90. Catalogue of HUD Programs (June 1969) at 29.

91. Interview, A.B. Hatcher, Asst. Reg. Admin., FHA, Fort Worth, Texas, Nov. 25, 1969.
92. Catalogue of HUD Programs (June 1969) at 28.
93. 1968 U.S. Code Cong. and Admin. News, Vol. 2, Legislative History,
94. Id.
95. Pub. L. No. 91-152, 8113(1) (Dec. 24, 1969).
96. 114 Cong. Rec. S. 6509 (daily ed., May 28, 1968).
97. Interview, Mr. Thomas, supra note 82.
98. Supra note 1. at 37.
99. Interviews, Mr. Thomas, supra note 82, and Harry Sieve, St. Louis Insuring Office, FHA, Nov. 10, 1969.
100. See results of 1967 FHA unsold inventory survey indicating that 548 new units were available for under \$15,000 in the Missouri HMA including St. Louis County. Supra note 2, Table VIII.
101. Interview, Mr. Thomas, supra note 82.
102. Case binders for FHA Insuring Office, St. Louis, Mo., Section 235 housing applications, HUD, FHA Record Center, Washington, D.C.
103. H.R. Rep. No. 1585, 90th Cong., 2d Sess. (1968); as cited in 1968 U.S. Code Congressional and Administrative News, Vol 2, Legislative
104. See p. 16, supra.
105. Interview, Miss Hazle I. Gibson, Director, Relocation Branch, HUD Region V, Ft. Worth, Texas, Nov. 12-13, 1969.
106. HUD Information, supra note 57.
107. Interview, Miss Gibosn, supra note 105.
108. HUD Memorandum, H. Earl Rosamond, Assistant Regional Administrator for Program Coordination and Services, to Leonard E. Church, Deputy Regional Administrator, Region V, Dec. 16, 1963.
109. Id.
110. HUD Memordum, H. Earl Rosamond, to Jack D. Herrington, Assistant Regional Administrator for Renewal Assistance, Region V, Sept. 28, 1966.
111. University City Workable Program Application, at 25.
112. HUD Information, supra note 57.

113. HUD Correspondence, 1956, with Senators Thomas C. Hennings, Jr., and Stuart Symington, and Representative Franklin Karten.
114. HUD Memorandum, G.R. Terry, Housing Economist, to W.H. Sindt, Regional Administrator, Nov. 27, 1956.
115. HUD Memorandum, Robert Gordon, Field Representative, to R.C. Robinson, Regional Director, Oct. 22, 1957.
116. HUD letter, Jack D. Herrington, Assistant Regional Administrator for Renewal Assistance, to Napoleon Williams, Executive Director Land Clearance for Redevelopment Authority of Kinloch, June 21, 1967.
117. HUD Memorandum, Elmer F. McClain, Area III Coordinator, Field Services Division of Region V, D. Dean Brown, Director, Field Services Division, Sept. 5, 1967.
118. HUD Document, Schedule of Work Activities, July 1, 1969 - June 30, 1970.
119. Interview, Phillip Snyder, Urban Renewal Regional Representative, HUD, St. Louis, Mo., Oct. 17, 1969.
120. HUD Information, supra note 57.
121. HUD Memorandum, William N. Sewell, Urban Renewal, to V.A. Friese, Chief of Operations, Urban Renewal, Region V, Mar. 9, 1961.
122. HUD Economic Review by R. Chestnut, Review of Survey and Planning Application, Olivette Elmwood Park Renewal Proposal, MO R-35, June 12, 1961.
123. HUD Memorandum, H. Earl Rosamond to Leonard Church, Feb. 13, 1963.
124. HUD Memorandum, Relocation Findings and Recommendations by Hazle I. Gibson, July 2, 1963.
125. HUD Information, supra note 57, and interview, Miss Gibson, supra note 105.
126. Interview, Elbert Winn, HUD, Nov. 13, 1969.
127. Webster Groves Workable Program Application, at 21.
128. HUD Memorandum, H. Earl Rosamond, to R.C. Robinson, Renewal Director, Jan. 25, 1960.
129. HUD Document, "Relocation Needs and Resources Findings and Recommendations", June 22, 1960, North Webster Groves Project, MO R-15, attachment: findings and recommendations by H.E. Rosamond.



130. Letter to Mr. Leonard E. Church, Regional Director, Urban Renewal, from Wallace L. Rinehart, Chairman, Land Clearance for Redevelopment Authority, Webster Groves, June 3, 1963 at 2.
131. HUD Memorandum, Hazle I. Gibson, to Leonard E. Church, July 12, 1963.
132. Interview, Miss Gibson, supra note 105.
133. Id., St. Louis County Workable Program Application, at 19.
134. Interview, Mrs. Ruby Koelling, Director, St. Louis County Housing Authority, Nov. 7, 1969.
135. Regional Office Recommendation, signed by Regional Administrator, W.W. Collins, Jan. 24, 1969.
136. Interview, Mrs. Koelling, supra note 134.
137. Id.
138. Id., HUD News Release, June 12, 1963.
139. Interview, Mrs. Koelling, supra note 134.
140. HUD Memorandum, W.H. Sindt, to M. Carter McFarland; Director, Division of Economics and Program Studies, Dec. 3, 1958.
141. HUD Memorandum, H. Earl Rosamond, to R.C. Robinson, Regional Director, Urban Renewal, Jan. 6, 1960.
142. Final Report of the grand jury of St. Louis Co., Mo., January Term, 1965, to the Honorable Douglas L.C. Jones, Judge of the Circuit Court, Division Number Five, St. Louis, Mo., ELMWOOD PARK PROJECT, at 5-6.
143. Interview, Mr. West, Chairman, St. Louis County NAACP, Nov. 11, 1969.
144. Interview, Mrs. Koelling, supra note 134.
145. Id.
146. HUD Memorandum, Sirrouko Howard, Site Representative, Relocation, St. Louis Field Office, to L.E. Church, Aug. 31, 1964.
147. Interview, Del Wachtel, HUD, Nov. 12, 1969.
148. HUD Memorandum, Hazle T. Gibson, to R.C. Robinson, Regional Director, Urban Renewal, Oct. 19, 1969.
149. Id.

150. Id.
151. HUD News Releases, May 10, 1959, and Dec. 17, 1959.
152. Second Quarterly Report, Urban Renewal Activities in St. Louis County, prepared by Daniel W. Witt, Chairman, Federated Civic Assoc., of St. Louis County, August 1962.
153. HUD Memorandum, Economic Feasibility Report on Kirkwood's Survey and Planning Application, by G.R. Terry, Housing Economist, Apr. 15, 1960.
154. HUD Memorandum, G.R. Terry, to R.C. Robinson, Apr. 19, 1956.
155. HUD Memorandum, R.A. Bethune, to Burton Young, Director, Community Programs Staff, Mar. 20, 1961.
157. Interview, Douglas W. McEnery, Metropolitan Development Representative, HUD, Nov. 26, 1969.
158. Id.
159. HUD Form 41903, "Evidence of Compliance".
160. Interview, Mr. McEnery, supra note 157.
161. Interview, Peter S. Mattei, director, Metropolitan Sewer District, and Mr. Kaiser, counsel, Metropolitan Sewer District, November 1969.
162. Letter to the Honorable Robert C. Weaver, Secretary, HUD, Oct. 28, 1966.
163. Interview, Leo Morris, Director, Community Facilities Division, HUD (Washington, D.C.), June 4, 1969.
164. Interview, Mr. McEnery, supra note 157.
165. HUD Information, supra note 57.
166. Supra note 159.
167. Region V, Urban Planning Assistance Program 701 Project Directory, HUD, Fort Worth, Texas, Oct. 1, 1969.
168. HUD Information, supra note 57.
169. HUD document, Planning Division Circular No. 30, To All 701 Planning Agencies in HUD Region V, Oct. 21, 1969.
170. Current 701 Planning Proposal of East West Gateway Coordinating Council.

*Exhibit No. 22*

Michael Galli, Director, St. Louis Insuring Office,  
Federal Housing Administration, St. Louis, Missouri

## STATEMENT

made to

UNITED STATES OF AMERICA  
COMMISSION ON CIVIL RIGHTS

This office has been pursuing an Affirmative Action Program under Executive Order 11246 by requiring a Pre-construction Conference and, in recent years, a Pre-award Conference, to promote Equal Employment Opportunity in FHA insured programs.

As a result of affirmative action by my office, Mr. and Mrs. Joseph Lee Jones, who were parties to the historic suit of Jones vs. Mayer in the United States Supreme Court, were able to buy a home in a previously all-white subdivision other than the one which was the basis for the suit.

Also, as a result of the affirmative action of my office, a Negro subcontractor, Harding Electric Company, brought suit against the Plumbers Union with the assistance of the National Labor Relations Board which resulted in the settlement of the strike which had delayed the completion of the Jefferson National Expansion Memorial for many months.

I have recently received notification that I have been cited for achievement of significance to the construction industry in 1969 at a dinner in New York City on Wednesday, February 11, 1970, in the Grand Ballroom of the Hotel Pierre when the Publisher and Editors of Engineering News-Record will honor "Construction's Man of the Year." I have been cited for my part in what has become known as the St. Louis Plan, which is an agreement between Associated General Contractors of St. Louis and the St. Louis Labor Unions, and provides for on-the-job training of residents within the area of Jeff-Vander-Lou, Inc., and will eventually qualify these residents for union membership.

We have met with the Home Builders and at one particular meeting on August 4, 1967, our Zone Operations Commissioner from Washington, the Regional Administrator for Equal Opportunity from our Regional office in Fort Worth, and the Assistant to the Commissioner for Equal Opportunity from our Washington office. The purpose of this meeting was to bring about greater cooperation and compliance for Equal Opportunity in the purchase of homes in new subdivisions.

In our implementation of the Section 235 program, a random sampling of 122 cases indicates that 70 of the applications were for properties located in areas other than the inner city. All but six of these cases were in St. Louis County.

As a result of our Counseling Service performed in our office, 58 interviews resulted in firm commitments and 31 of these represented purchase of properties located in St. Louis County.

Due to many reasons, principally, the shortage of money for financing high discounts and the high cost of construction, this office, during the year 1969, insured only 383 loans on new construction in the eastern half of the State of Missouri.

In the Section 221(h) Rehabilitation Program, I have worked very closely with Mr. Macler Shepard of Jeff-Vander-Lou and have met with them many times as a member of the committee. As a result of our joint efforts and the efforts of other parties, a number of buildings have been substantially rehabilitated in this area based on the expressed desire of Mr. Shepard and residents of the area that they wanted to continue to live in this community but to improve their housing and their standard of living. As a result of the progress made in upgrading the neighborhood, a rehabilitated building has been converted into a modern medical center and the Brown Shoe Company has built a new \$1 million plant in this area and will train and employ 200 residents of the area.

Moderate income housing in process or under construction in St. Louis County:

CHARVEL APARTMENTS

Nemnich Road

St. Louis County, Missouri

60% completed - 148 Units

CHALET APARTMENTS

Nemnich Road

St. Louis County, Missouri

38 Units - Commitment Outstanding

VILLA DE CRESTA

Howdershell Road

Florissant, Missouri

169 Units - Firm Commitment

HILLTOP APARTMENTS

Halls Ferry Road at Chambers

St. Louis County, Missouri

108 Units - Application in process

## Exhibit No. 23



THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

NOV 14 1967

Honorable John A. Hannah  
Chairman  
United States Commission  
on Civil Rights  
Washington, D. C. 20425

Dear Mr. Chairman:

I am replying further to your letter of October 2, 1967, in which you requested my comments concerning the memorandum of July 21, 1967, prepared by Mr. Howard A. Glickstein, the General Counsel of the Commission.

As a preface, let me say that all elements of the Department of Housing and Urban Development are firmly committed to a policy of equal opportunity in housing. And we have been vigorously following positive programs and procedures to demonstrate our commitment to this policy. Whenever possible, we have improved and strengthened these programs and procedures to increase the Departmental thrust toward the goal of equal opportunity. As the Department becomes fully staffed, both here in Washington and in the field offices, we look forward to even further improvements in this area.

Concerning the question of requiring builders and realtors to advertise equal opportunity in FHA-financed housing, this has been under consideration ever since Executive Order 11063 was issued. But until we have broad coverage under a fair housing law, there is reason to believe that such mandatory advertising would cause FHA-financed housing developments to become minority group developments since competing non-assisted builders would not be compelled to advertise similarly. And, as you may know, FHA's share of the new-house market is only about 15% of the total.

The following comments are addressed to the eight statements and recommendations that appear in the July 21 memorandum.

1. The July 21 memorandum states that the testimony before the Commission in San Francisco "suggested that FHA subordinates the Equal Opportunity Order" to other considerations, and refers to the testimony of Mr. Jack Tuggle, Deputy Director of the San Francisco insuring office. Your letter of October 2 identifies, in addition to Mr. Tuggle, Mr. Robert Pitts, HUD Regional Director in San Francisco, with testimony that FHA's commitment to equal opportunity is secondary to its interest in insuring as many mortgages in new housing construction as possible."

I believe the foregoing conclusions are not warranted. Mr. Pitts and Mr. Tuggle were making the point that FHA is eager to maintain its participation in the market so that there would be some production of open occupancy housing. The FHA definitely does not consider equal opportunity requirements to be subordinate or secondary to other considerations.

2. The July 21 memorandum states that "At present, nothing is required of a builder who is found to have discriminated other than offering the house or apartment to the complainant, together with a written statement to FHA that the builder understands and intends to comply with the Executive Order."

In this connection, the Assistant Secretary-Commissioner, on February 7, 1967, issued his Letter No. 58 to all insuring office directors on the subject "Equal Opportunity in HUD Operations and Programs." The letter included the following:

"Discrimination Complaints and Sanctions

Effective sanctions will be imposed against those persons found in violation of Executive Order 11063 and equal opportunity regulations. For example, if it is found that an act of discrimination was committed, the violator must show that he has developed and implemented an affirmative program of equal opportunity before he is reinstated. In addition to a sale to the complainant at a price no higher than existed at the time of the discrimination, or rental to the complainant in the case of rental housing, there must be an affirmative program that will give assurance to the director that discrimination will not be practiced in the future. This affirmative program may include evidence of a number of sales or rentals to minority group members, of advertising on an open occupancy basis, of intensive instruction of their sales force on the policy of nondiscrimination, or of other appropriate actions. The essential requirement is that there be affirmative evidence of a program that will assure nondiscriminatory sale and rental practices in the future.

When there is an admission or a finding of discrimination and a subsequent reinstatement, the action will be carefully recorded so that the future activities of the violator will be closely observed.

There shall be strict adherence to the two-day, ten-day, and other time schedules set forth in FHA Manual Paragraph 51601 and succeeding paragraphs for the handling and resolution of discrimination complaints. The Office of the Regional Administrator, as well as the Washington central office, will maintain close surveillance over the adherence to these schedules."

The July 21 memorandum suggests that cases could be referred to the Department of Justice for litigation.

This has been done from time to time, beginning with the case of H and S Builders, Inc. The complaint was filed on September 30, 1963.

We have given our attention to the "good offices" and "litigation" provisions in Section 102 (as well as the Section 303 reference to the authority of the Attorney General) since the time Executive Order 11063 was issued in 1962. We have conferred periodically with representatives of the Department of Justice and the President's Committee, as suggested. We will again explore these matters with the Department, as well as with the President's Committee. I am sure you appreciate that there is no easy solution to the problems involved. The recent increase in civil rights capacity, both in our Department and the Department of Justice, makes the outlook brighter.

3. The July 21 memorandum states that the FHA does not collect information on racial occupancy.

The FHA recently completed a survey of all subdivisions developed under FHA programs since the issuance of Executive Order 11063 to determine racial occupancy patterns, and the results are now being analyzed. The agency's annual occupancy survey of rental housing will this year include a question on racial occupancy. In addition, the directors of all insuring offices are required to make quarterly reports on the progress of integration in their jurisdictions.

4. The July 21 memorandum states that no effort is made to involve FHA personnel in tests of the builder's compliance.

Compliance activities in HUD are organized on a department-wide basis. The responsibility for field investigations lies with the Civil Rights Inspection Branch of the Inspection

Division. As the staffing of this division is brought up to projected levels, field investigations for compliance with the Department's requirements on equal opportunity in housing will be made as a matter of routine.

5. The July 21 memorandum suggests that FHA should undertake more vigorous action to assist members of minority groups in obtaining housing.

The FHA has been moving in the suggested direction. Its most recent effort is the housing counseling service. This innovation was launched in 5 insuring offices and soon expanded to 15 cities. Further expansion is contemplated. This program provides an excellent tool for assuring that all prospective buyers or renters are given equal treatment.

The problem of making information concerning equal opportunity available to minority groups is under continuous study as we search for new and more effective means of communication.

Each of our insuring offices maintains and mails to those interested lists of sales and rental housing available under the provisions of the Executive Order. In addition, a brochure for distribution primarily to members of minority groups is being prepared to make better known the availability of FHA acquired properties on an equal opportunity basis.

We also believe that our equal opportunity staff should be closely involved in our efforts to assure equal opportunity in housing. There is close cooperation with this staff in all matters in this area throughout the Department. And we are constantly working to improve this cooperative effort whenever possible. The training of the appropriate field staff in equal opportunity matters has been a continuing operation in HUD. Further training programs in this field are under development at the present time.

6. The July 21 memorandum suggests that there is a need for establishing the identity of the real parties in interest holding FHA commitments and that nondiscrimination should be required of all sales personnel, even if hired by a separate sales firm.



In this connection, the FHA requires all developers and builders constructing housing covered by Executive Order 11363 to certify that they will observe the equal opportunity requirements. The sales force used for marketing such housing -- regardless of whether hired directly or by a separate sales firm -- is covered by those requirements. And Section 200.345 of the FHA regulations provides that "Failure or refusal to eliminate a discriminatory practice or to give satisfactory assurances of future compliance with the requirements of this subpart shall be proper basis for applying sanctions. In the case of discrimination involving lending practices, the sanction may include the withdrawal of the lender's approval as a mortgagee. In other cases the sanctions may take the form of placing the offender's name on an ineligible list. Applications for mortgage insurance shall be rejected as ineligible if any person, firm or other entity included on the ineligible list is identified in any manner with the proposed transaction." (Underlining added.)

7. The July 21 memorandum suggests that the lack of verbatim transcripts of hearings makes appeals of decisions difficult.

51610.1 of the FHA manual provides that, in case of an appeal, the insuring office director must "assemble, within 15 days from the date of the request, a complete file which will include the complaint, the summary of the proceedings and summary of the evidence and all exhibits and memoranda filed by either party. A complete list of the filed material shall be prepared, including a statement by the Director that the items contained on the list constitute all of the records in the case. As soon as the record is complete, the Director by registered or certified mail, shall notify the party seeking a review that the original record will be available for his inspection at the FHA office for a period of 10 days from the date of the notification and that promptly thereafter the record will be transmitted to the office of the FHA Commissioner. The Director will provide the party seeking the review with a copy of the list of items contained in the record, the summary of the proceedings, and summary of the testimony and copies of any evidentiary memoranda filed or submitted in the case."

The FHA recognizes that the presence of a court reporter or tape recorder would add an element of formality to a complaint hearing but has avoided adopting such a requirement because of the deterrent effect it would have on the possibility of bringing about an elimination of the discriminatory practice through informal discussion.

We have, however, the entire complaint procedure under revision and review at the present time.

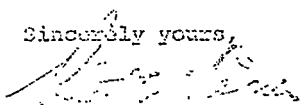
8. The July 21 memorandum suggests that brokers selling acquired properties be required to refrain from discrimination in all operations and that consideration be given to the possibility of marketing such properties without the use of brokers. (The first item numbered 8 in the memorandum is discussed under item 2, above.)

FHA currently requires contract management brokers to certify every six months that they and each of their employees fully understand and follow FHA's requirements on equal opportunity in the management and disposition of acquired properties. Just as the brokers follow our requirements on these properties, in the absence of state or local fair housing laws or ordinances the brokers consider themselves the agents of the sellers of other real estate and believe that they must respect the wishes of their principals and conduct the sales on their terms. As noted above, the Civil Rights Inspection Branch of the HUD Inspection Division, when it reaches projected staffing levels, will handle broker reviews routinely.

The possibility of marketing acquired properties without the use of brokers has been considered. The conversion to such a procedure would involve substantial budget and organizational problems.

I sincerely share your interest in broadening equal opportunity in housing, and I assure you that the Department of Housing and Urban Development has a vigorous and affirmative program designed to help achieve this goal. Whenever and wherever we find that we can improve this program and carry out our Departmental mission, we shall not hesitate to do so.

Sincerely yours,



Robert C. Weaver

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
 WASHINGTON, D.C. 20410  
 OFFICIAL BUSINESS

# FAIR HOUSING 1968

An interpretation of Title VIII (Fair Housing) of the Civil Rights Act of 1968



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
 FEDERAL HOUSING ADMINISTRATION  
 Washington, D.C. 20410

Title VIII of the Civil Rights Act of 1968, the Fair Housing title, declares a national policy to provide for fair housing throughout the United States. The housing units covered by Title VIII are called *dwellings* which include any structure intended as a residence or vacant land offered for residential construction or use.

#### Your Rights Under the Fair Housing Law

The law protects you from the following acts where they are based on discrimination on account of race, color, religion, or national origin:

- *Refusal to deal.* To refuse to sell or rent or to negotiate for the sale or rental of a dwelling (Section 804(a)).
- *Discrimination in terms.* To discriminate against any person in the terms or conditions of sale or rental of a dwelling (Section 804(b)).
- *Discriminatory advertising.* To make, publish, or print any statement with respect to

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the sale or rental of housing, imitating any racial or religious preference, or an intention to discriminate (Section 804(c)).

■ *False representations.* To represent falsely to any person that a dwelling is not available for sale or rental (Section 804(d)).

■ *Blockbusting.* For profit, to induce owners to sell or rent dwellings by representations regarding the entry into the neighborhood of a person or persons of a particular race, color, religion or national origin (Section 804(e)).

■ *Discrimination in financing.* To deny a loan to any person or to discriminate in the fixing of the terms or conditions of a loan. This prohibition is applicable to banks, building and loan associations, insurance companies, or any other business involved in the making of commercial real estate loans (Section 805).

■ *Discrimination in real estate services.* To deny access to or participation in any multiple-listing service, real estate brokers' organization or other service, organization or facility relating to the business of selling or renting dwellings (Section 806).

#### What Is Covered by the Law? When?

##### Discrimination in Financing, Real Estate Services and Advertising

The prohibitions against discrimination in financing and the prohibition against denying access to or participation in real estate services become effective after December 31, 1968 and apply to all dwellings. The prohibition of Section 804(c) against discriminatory advertising applies upon enactment to all dwellings which have received the kind of Federal assistance described in stage 1 below and applies to *all* other dwellings after December 31, 1968.

##### The Other Prohibitions—Three Stage Coverage

With respect to the other four categories of discrimination in the sale or rental of

housing prohibited by Section 804—namely, Refusal to Deal, Discrimination in Terms, False Representations and Blockbusting—the prohibitions become applicable on a three-stage basis.

STAGE 1—Upon enactment, the kinds of housing listed below are covered by the prohibitions if they are federally owned or operated or if they have received (under agreements or contracts entered into after Nov. 20, 1962, and still outstanding at the time of passage of the Fair Housing Title) certain types of Federal assistance; such as, public housing loans or grants, FHA mortgage insurance, construction or rehabilitation loans or grants, and urban renewal or slum clearance program assistance:

■ Multi-family dwellings of five or more units.

■ Multi-family dwellings containing four or fewer units, if the owner does not reside in one of the units.

■ Single-family houses not owned by private individuals.

■ Single-family houses owned by a private individual who owns more than three such houses or who, in any two-year period, sells more than one in which he was not the most recent resident.

STAGE 2—After December 31, 1968, the prohibitions apply to any of the four kinds of dwellings described immediately above, regardless of whether they are federally assisted.

STAGE 3—After December 31, 1969, single-family houses owned by private individuals become covered if they are sold or rented through a broker or other person in the business of selling or renting dwellings, or if a discriminatory written notice or advertisement is used in offering to sell or rent.

##### What Are The Means Of Enforcing The Law?

Title VIII provides three methods of obtaining compliance: a complaint to the Secretary of HUD, private civil action, and suits by the Attorney General.

Three Stage Coverage of Dwellings Under Section 804		
April 11, 1968 Covered if federally assisted under agreements made after Nov. 20, 1962 and outstanding on April 11, 1968	January 1, 1969 Covered regardless of whether or not federally assisted	January 1, 1970 All dwellings covered under Stage 1 and 2 plus any 1. Single-family houses sold or rented through a broker or other person in the business of selling or renting dwellings. 2. Single-family houses offered for rent or sale through a discriminatory written notice or advertisement.
<ol style="list-style-type: none"> <li>Multi-family dwellings of five or more units;</li> <li>Multi-family dwellings containing four or fewer units, if the owner does not reside in one of the units;</li> <li>Single-family houses not owned by a private individual;</li> <li>Single-family houses owned by a private individual who owns more than three such houses or who, in any two year period sells more than one such house in which he was not the most recent resident.</li> </ol>		
<p>The Prohibitions Do Not Apply To:</p> <ol style="list-style-type: none"> <li>Single-family houses owned by a private individual owner of three or less, where a) a broker is not used to sell or rent; b) discriminatory advertising is not used; c) no more than one house in which the owner was not the most recent resident is sold during any two-year period.</li> <li>Rentals of rooms or units in owner-occupied multi-unit dwellings for two to four families.</li> <li>Religious organizations in giving preference to their members in the sale, rental or occupancy of dwellings which they operate for other than a commercial purpose, and private clubs in giving preference to members in the rental or occupancy of "lodging" which they operate for other than a commercial purpose and as an incident to their primary purpose.</li> </ol>		

*Private individuals* can seek enforcement of the Fair Housing Title by making a complaint to the Secretary of Housing and Urban Development or by bringing a civil action in court. Where the act complained of is also a violation of a State or local fair housing law, the private individual may choose to pursue his rights under such law rather than under the Federal Fair Housing Title.

*The Attorney General* may seek enforcement of the Title, through court action, in cases where there is a pattern or practice of resistance to the law or where the denial or rights to a group of persons raises an issue of general public importance.

Additionally, the Supreme Court ruled in the case of *Jones v. Mayer* (June, 1968) that Federal law provides that an individual may go to Federal court to seek relief against racial discrimination which interferes with his right to inherit, purchase, lease, sell, hold, or convey real or personal property (42 U.S.C. 1982). This right is available regardless of whether the housing in question is covered or exempt under Title VIII.

#### How Does the Complaint and Conciliation Procedure Work?

*Filing a Complaint.* Any person who claims that, as of the effective date of the Title he has been discriminated against in housing may file a complaint by writing to "Fair Housing," % Secretary of Housing and Urban Development, Washington, D.C. 20410. The complaint should state all the facts upon which the charge of discrimination is based, and should be notarized. All HUD Regional Offices, including FHA field offices, will be available to assist in filing of complaints and filling out complaint forms.

*Processing a Complaint.* Upon receipt of a complaint, the Secretary will furnish a copy to the person charged with the discriminatory practice. The person charged may file an answer in writing, which should be notarized.

*Referral to a State or Local Agency.* In those cases where State or local law applies to the complaint and provides rights and remedies "substantially equivalent" to those under the Fair Housing Title, the complaint will be referred to a State or local agency. If the State or local agency does not commence proceedings within 30 days and carry them forward with reasonable promptness, the Secretary may require that the case be returned to him.

*Investigation by the Secretary.* The Secretary will investigate and notify the complainant (within 30 days of receipt of the complaint or within 30 days of the return of a case from a State or local agency) of his intent to resolve it.

*Conciliation.* If the Secretary decides to resolve a complaint, HUD will engage in informal and confidential conciliation to obtain resolution. If conciliation fails or if the Secretary decides not to resolve a complaint or otherwise does not act, the complaining party may, within the next 30 days, file a suit under section 810 of the Title.

#### How Can a Private Individual Bring Court Action?

After failure of conciliation, a party who has complained to the Secretary may bring civil suit under section 810 in the appropriate United States District Court. In states with equivalent judicial rights and remedies, such a suit would have to be brought in State court.

Or;

At any time within 180 days after the alleged discriminatory practice, suit may be brought under section 812 in either United States district court or State or local court. In appropriate cases, an attorney may be appointed for the plaintiff and the payment of fees, costs, or security can be waived. The court can grant permanent or temporary injunctions, temporary restraining orders, or other appropriate relief as well as award actual damages and not more than \$1,000 in punitive damages. The courts are also directed to expedite cases under section 812 and assign them for hearing at the earliest practicable date.

#### *Interference, Coercion or Intimidation*

Title IX of the Civil Rights Act of 1963 protects persons from willful interference or injury because of race, color, religion, or national origin, and because they were seeking (a) to sell or acquire housing, (b) to finance or occupy a dwelling, or (c) to exercise other rights connected with housing. The law also prohibits willful interference with those who would aid or encourage others who would exercise these rights. Criminal penalties are provided. Civil action may also be brought under section 817 against interference with rights under Title VIII.

### REGIONAL OFFICES OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Region I: 346 Broadway, New York, New York 10013 (Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, Vermont)

Region II: Widener Building, Chestnut and Juniper Streets, Philadelphia, Pennsylvania 19107 (Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania, Virginia, West Virginia)

Region III: 645 Peachtree-Seventh Building, Atlanta, Georgia 30323 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Region IV: Room 1500, 360 North Michigan Avenue, Chicago, Illinois, 60601 (Illinois, Indiana, Iowa, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin)

Region V: Federal Office Building, Room 13-A-01, 819 Taylor Street, Fort Worth, Texas 76102 (Arkansas, Colorado, Kansas, Louisiana, Missouri, New Mexico, Oklahoma, Texas)

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Area Offices: 909 First Avenue, Seattle, Washington 98104 (Alaska, Montana, Northern Idaho, Oregon, Washington); Room 1015, 312 North Spring Street, Los Angeles, California, 90012 (Arizona, Southern California, Southern Nevada)

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D.C. 20410  
OFFICIAL BUSINESS

# FAIR HOUSING: What It Means To You

A guide for owners, buyers  
and renters



U.S. DEPARTMENT OF HOUSING  
AND URBAN DEVELOPMENT  
Washington, D.C. 20410

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The purpose of the Fair Housing Law is to provide every person in the United States, an equal opportunity to choose housing suited to his needs and financial ability, wherever he would like to live.

To this end, the Fair Housing Law (Title VIII of the Civil Rights Act of 1968) bans discrimination based on race, religion, color, or national origin in the sale or rental of housing covered by the law.

SR/M-P-69  
July 1969

### Housing Covered by the Law

When the Fair Housing Law went into effect April 11, 1968, it immediately covered the following kinds of housing *only* if federally assisted:

- Housing for five or more families.
- Multi-unit housing for four or fewer families if the owner does not live in one of the units.
- Single-family houses not owned by a private individual—for example, tract housing developments.
- Single-family houses owned by a private individual who owns more than three houses or who sells more than one house, within any two years, in which he was not the most recent occupant.

(Federally assisted means, in general, housing with mortgages insured by FHA or VA after Nov. 20, 1962, and outstanding as of April 11, 1968; public housing; housing in urban renewal areas; and housing owned by the Federal Government.)

After Dec. 31, 1968, the housing in the above categories will be covered by the law even if *not* federally assisted. (This means, for example, that all housing sold by tract developers will be covered.)

*There can be no discrimination in the advertising of housing for sale or rent. For example, housing can not be advertised as unavailable to members of minority groups. This applies now to all federally assisted housing and to all other housing after Dec. 31, 1968.*

After Dec. 31, 1969, the law will also cover *all* other housing except where a private individual owner sells or rents a single-family house without using a real estate broker.

The law will not apply to the rental of apartments in buildings for up to four families if the owner occupies one.

Religious organizations or private clubs *may* give certain preferences to their members for housing or lodgings operated for other than a commercial purpose.

### Your Rights Under the Fair Housing Law

The law protects you from the following acts where they are based on discrimination on account of race, color, religion, or national origin:



**Now**

- Refusal to sell, rent, or deal with any person.
- Making different terms and conditions for buying or renting housing.
- Advertising that housing is available only to certain persons.
- Denying housing is available for inspection, sale, or rental when it really is.
- "Blockbusting"—persuading someone to sell housing by telling him minority groups are moving into the area.

**Additional Acts Covered After  
December 31, 1968**

- Denying or making different terms for home loans, by commercial lenders such as banks, and savings and loan associations.
- Denying to anyone the use of real estate services, such as a broker or multiple listing service.

**Enforcement**

Any person who believes he has been discriminated against by an act covered by the Fair Housing Law should:

A. Write to the Secretary of the Department of Housing and Urban Development.

■ Complaints must be made within 180 days of the alleged discrimination.

■ HUD will investigate, and if it finds that the complaint is covered by the law and is justified, it will try, by informal methods, to end the discrimination.

■ In those cases where State or local law gives at least the same protection as Federal law, HUD will first ask the State or local agency to try to resolve the problem.

■ If HUD's efforts or the State or local efforts do not resolve the complaint, the individual may take the matter to court.

B. Or take the complaint directly to court (within 180 days of the alleged discrimination) whether or not a complaint was filed with HUD.

Information about possible discrimination in housing may also be given to the Attorney General of the United States. If his investigation indicates that a pattern or practice of discrimination exists, he may bring a court action to stop it.

*In addition to the new fair housing title, Federal law also prohibits any racial discrimination which interferes with the right to sell, rent, lease, buy, inherit or convey any kind of housing, regardless of whether that housing is covered or exempt under Title VIII. This right was made clear in the Supreme Court decision of Jones v. Mayer (June 1968) and is enforceable by private action in court.*

Interference with an individual's rights under this law is illegal. This means that no one may threaten or prevent another person from buying, renting, or selling housing or from making a complaint of discrimination. If violence is threatened or used, criminal prosecution may result.

All HUD Offices (including FHA field offices) will be available to assist in the filing of complaints. For further information or to find the HUD office nearest you, write to:

Fair Housing  
% U.S. Department of Housing and  
Urban Development  
Washington, D.C. 20410

**REGIONAL OFFICES  
OF THE DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT**

Region I: 346 Broadway, New York, New York 10013 (Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, Vermont)

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Region VII: Ponce De Leon Avenue and Bolivia Street, P.O. Box 3869, GPO, San Juan, Puerto Rico 00936

# **YOUR HOUSING RIGHTS**

**U.S. Department of Housing and Urban Development  
Washington, D.C. 20410**



**live where you want to live**

## your housing rights

Racial discrimination in the sale or rental of all housing is now illegal under a recent Supreme Court decision upholding an 1866 Act of Congress.\* You can be helped if because of your race, any of these things happened:

- You were denied the opportunity to buy or rent a house or apartment.
- You were told a house or an apartment wasn't available when it really was.
- You were offered different terms or conditions of sale or rental than someone else.

You can —

### take your complaint directly to court

- You can immediately file a suit in a Federal Court. You may wish to consult an attorney or local Legal Aid Society for assistance.
- The Court could stop the sale of the house or the rental of an apartment to someone else. It could help make it possible to buy or rent the housing you want. It could award you damages and court costs or take other actions that could help you.

Or else you can —

### call on the federal government for help

Under the Civil Rights Act of 1968,† it is illegal to discriminate in the sale or rental of most houses or apartments because of race, color, religion, or national origin. This law calls for action by the Federal Government.

If you have been discriminated against, you can go directly to Court. But at any time within 180 days of the incident you can also do this:

**Send a Complaint to the Department of Housing and Urban Development**

Address: FAIR HOUSING  
WASHINGTON, D.C. 20410

— and simply tell what happened.

This Federal Department may do these things:

- Investigate to see if the law has been broken.
- Contact the person accused of the violation and try to get him to end the discrimination.
- Refer your complaint to a State or local Human Rights Commission, if there is one where you live, for investigation and possible resolution.
- Recommend you go to court.

(The nearest HUD Regional Office will be glad to assist you in preparing your complaint. The addresses are on the back of this folder. The nearest FHA office will also assist. There are 76 offices throughout the Nation. Try your telephone book if you live in a large city under: Federal Housing Administration.)

\* 42USC§1982 — Civil Rights Act of 1866

† 42USC§3601 — Title VIII of the Civil Rights Act of 1968



REQUEST FOR INFORMATION OR COMPLAINTS MAY  
BE ADVISED TO:

Assistant Regional Administrator  
for Equal Opportunity  
HUD Regional Office, Region V  
813 Taylor Street  
Fort Worth, Texas 76102  
Area Code (817) Phone 334-3491

*Send a Complaint to the Department of Housing  
and Urban Development*

EO/JP-112  
JUNE, 1969

**Regional Offices  
of the Department of  
Housing and Urban Development**

**Region I**  
25 Federal Plaza  
New York, New York 10007

**Region II**  
Widener Building  
Chestnut and Juniper Streets  
Philadelphia, Pennsylvania 19107

**Region III**  
645 Peachtree-Seventh Building  
Atlanta, Georgia 30323

**Region IV**  
Room 1500, 360 North Michigan Avenue  
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**Region V**  
Federal Office Building  
Room 13A01, 819 Taylor Street  
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New Jersey  
Pennsylvania  
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West Virginia

Alabama  
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Nebraska  
North Dakota  
Ohio  
South Dakota  
Wisconsin

Arkansas  
Colorado  
Kansas  
Louisiana  
Missouri  
New Mexico  
Oklahoma  
Texas

Northern California  
Guam  
Hawaii  
Northern Nevada  
Southern Idaho  
Utah  
Wyoming

Alaska  
Montana  
Northern Idaho  
Oregon  
Washington

Arizona  
Southern California  
Southern Nevada

Virgin Islands  
Puerto Rico

*Exhibit No. 27*

University City Racial Statistics

*Exhibit No. 28*

University City Housing Code Enforcement

*Exhibit No. 29*

University City Sales by Real Estate Companies by Race

*Exhibit No. 30*

Map—University City New Residents

*Exhibit No. 31*

Map—University City Purchases

Exhibits No. 27 through No. 31 have been retained in the Commission's files.

*Exhibit No. 32*

## STAFF REPORT

## KINLOCH, ST. LOUIS COUNTY, MISSOURI

There are 10 politically independent all-black cities in the United States with populations of 1,000 or more.<sup>1/</sup> Kinloch is one of them. The city is located in suburban St. Louis County, approximately 7 miles northwest of the St. Louis city limits, 1 mile north of Interstate Highway 70, and approximately 2 miles east of St. Louis' Lambert Air Field. Kinloch's 554 acres are well situated. The city is near major arterial highways which facilitate travel to employment centers in the St. Louis metropolitan region. Several of the region's largest employers are located in the immediate vicinity -- a key factor in the growth of the surrounding predominantly white communities such as Berkeley to the south, west and north, and Ferguson to the east.

Background

The origins of Kinloch are obscure, but the community has been traced back to the 1890's when the area was mostly farmland.<sup>2/</sup> According to Professor Ingo Walter of the University of Missouri at St. Louis:

Several white real estate agents purchased a large tract of land and advertised it for sale as a subdivision to Negroes in the City of St. Louis at approximately \$50 per 25-by-100 foot lots. Lacking the necessary financial resources to have homes constructed, the Negroes attracted in this manner pooled their efforts to construct shanties on the newly acquired property and to lay out unpaved streets providing access to their homesites.<sup>3/</sup>

In the early 1930's the black population in the area that is now Kinloch had grown to about 1,500 persons and it soon grew to more than 4,000 persons as additional tracts of land were subdivided and sold.<sup>4/</sup> By 1960 the city's population had grown to 6,501.<sup>5/</sup> The 1970 population is estimated at slightly over 7,000.<sup>6/</sup>

Until 1938 the area where Kinloch now is located was an unincorporated area, with a common school system and "separate but equal" facilities for white and Negro students. The approximately 4,000 Negroes had the right to vote, however, and were able to elect one representative to the three-man district school board, a black Baptist minister, Rev. Walter Johnson.<sup>7/</sup> The Reverend W. Johnson complained bitterly about the comparatively deplorable conditions of the Negro schools. In 1938, the whites had withdrawn from the school district and incorporated themselves as the city of Berkeley.<sup>8/</sup>

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<sup>1/</sup> Walter and Kramer, "Political Autonomy and Economic Dependence in an All Negro Municipality", The American Journal of Economics and Sociology, Vol. 28, No. 3, July 1969, p.225

<sup>2/</sup> Supra, at 226.

<sup>3/</sup> Ibid.

<sup>4/</sup> Ibid.

<sup>5/</sup> See Table I.

<sup>6/</sup> Walter and Kramer, op. cit., supra at 226.

<sup>7/</sup> Walter and Kramer, "The Political History of Kinloch," Final Report: An Analysis of the Socio-Economic Structure of an All-Negro City, Research Report Number CRD 351-7-217, on file with the U. S. Department of Health, Education and Welfare, Washington, D. C., p. 2.

<sup>8/</sup> Ibid.

From 1938 to 1948 the residents of the area that is now Kinloch received essential services from St. Louis County and operated their educational system, including a high school, with limited funds.<sup>9/</sup>

During World War II, some attempts were made to incorporate the community. St. Louis County services were regarded as poor and some of the residents felt that self-government, rather than pleas to the county seat, would improve their situation.<sup>10/</sup> An incorporation petition, however, required the signatures of a majority of the registered voters and there was considerable opinion in the community that there was insufficient financial capacity to equal even the meager support provided by the county. Assessed valuation of the area was \$1,112,000, providing a potential tax yield of \$8,000 against an estimated \$30,000 needed to maintain police services, trash removal, and other necessary services.<sup>11/</sup> In 1948, an incorporation petition was approved and Kinloch was chartered as a fourth class, self-governing city.<sup>12/</sup>

Kinloch is governed under a mayor-council form of government. The mayor and the aldermen serve on a part-time basis. They are elected biennially, with unlimited succession, in nonpartisan elections. Administrative personnel of the city include a city clerk, a police clerk, and nine policemen. The city also has an elected tax collector and a municipal judge.<sup>13/</sup> Kinloch provides virtually all of its municipal services, including police and fire protection. A few services, however, are provided by St. Louis County, such as the well baby clinic located at the Kinloch YWCA,<sup>14/</sup> public health nurse services, and a library.<sup>15/</sup> Except for one very small business section, Kinloch is entirely residential in character.<sup>16/</sup>

#### Racial Isolation

The city of Kinloch is very sharply separated from the communities which surround it. Apart from one main road and several secondary access routes, large vacant lots and fences effectively serve to seal off the community from its neighbors.<sup>17/</sup> Most streets in surrounding areas dead end at Kinloch. In April 1968, shortly after the death of Martin Luther King, Jr., several leading citizens of Kinloch led a march to the site of a barricade which had been erected by citizens of Ferguson and which blocked one of the few roads to the city. City officials of the city of Ferguson shortly thereafter removed the barricade.<sup>18/</sup> In addition, there is very little social interaction between the citizens of Kinloch and citizens in the adjoining communities.<sup>19/</sup>

#### Economic Conditions

In comparison with the adjoining communities, Kinloch is an area of substantial poverty. Median incomes among families in Kinloch are substantially lower than those in the surrounding communities.<sup>20/</sup> In 1959,<sup>21/</sup> the median family income in Kinloch was \$3,075, compared with \$7,124 and \$6,891 in the two adjoining census tracts. Kinloch also

<sup>9/</sup> Walter and Kramer, "Research and Research Opportunities in Missouri's All-Negro City, *op. cit.*, *supra*, note 7, at 4.

<sup>10/</sup> Walter and Kramer, *op. cit. supra*, note 7 at 1.

<sup>11/</sup> *Ibid.*, p. 2.

<sup>12/</sup> Walter and Kramer, *op. cit.*, *supra*, note 9, at 3.

<sup>13/</sup> Staff field report, St. Louis, Oct. 21, 1969.

<sup>14/</sup> Kinloch Branch, 5810 Monroe.

<sup>15/</sup> Kinloch County Library, 5732 Carson Road.

<sup>16/</sup> Walter and Kramer, *op. cit.*, *supra*, note 1, see study cited therein, at 226.

<sup>17/</sup> *Ibid.*

<sup>18/</sup> Staff interview with Mrs. Julia Boyd, Oct. 14, 1969.

<sup>19/</sup> Staff interview with Rev. Anthony Siebert, Oct. 13, 1969.

<sup>20/</sup> See Table 2.

<sup>21/</sup> *Ibid.*



compares unfavorably with St. Louis County and with the St. Louis Standard Metropolitan Statistical Area (SMSA). In 1959, the median income in St. Louis County was \$7,527 and \$6,275 in the Standard Metropolitan Statistical Area. In 1959, only 9 percent of Kinloch's families had incomes of over \$7,000, while 61.8 percent had incomes under \$5,000.<sup>22/</sup> Family income among Kinloch families, moreover, is substantially lower than black family income in the city of St. Louis and in the Standard Metropolitan Statistical Area. <sup>23/</sup>

In 1964, 37 percent of Kinloch families received some form of public assistance.<sup>24/</sup> By 1968 there was little change in this percentage.<sup>25/</sup>

#### Housing

In addition to low family incomes, Kinloch's housing is below standard. In 1960, there were 1,760 dwelling units in the city.<sup>26/</sup> Of these units, 780 were classified as deteriorating and another 331 were classified as dilapidated. Thus, in 1960, 63.6 percent of Kinloch housing was considered substandard, compared with 6.4 and 5.0 percent, respectively, in the two adjoining census tracts and 16.8 and 7.3 percent, respectively, in the SMSA and St. Louis County.<sup>27/</sup> Over half of the dwelling units were constructed before 1940 and approximately 56 percent were valued at less than \$5,000.<sup>28/</sup> The extent of home ownership in Kinloch, however, is relatively high. In 1960, approximately 60 percent of all occupied dwelling units were owned by their occupants. <sup>29/</sup>

In recent years the city has obtained some new public and private housing developments. In January 1961, 100 units of Public Housing were completed. Fifty additional units were added in February 1967. In 1969, 104 units of privately built apartments were constructed.<sup>30/</sup> During the year 1968, the housing authority of the city of Kinloch housed 168 families in its projects. Eighteen families moved in and 18 families moved out. The average rent per unit per month was \$34.38.<sup>31/</sup>

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<sup>22/</sup> Calculations by Commission staff. See Table 2.

<sup>23/</sup> Ibid.

<sup>24/</sup> Walter and Kramer, op. cit., supra note 1 at 229. The Health and Welfare Council of Metropolitan St. Louis reported that there were 538 of 1,346 families receiving assistance. The cases were as follows: Aid to Dependent Children 235; Old-Age Assistance 168; Partially and Totally Disabled 94; Aid to the Blind 9; and General Relief 32.

<sup>25/</sup> In April 1968, there were 547 cases. They were broken down as follows: Aid to Dependent Children 223; Old-Age Assistance 197; Partially and Totally Disabled 87; Aid to the Blind 8, General Relief 32.

<sup>26/</sup> Walter and Kramer, op. cit. supra note 1 at 230.

<sup>27/</sup> Ibid.

<sup>28/</sup> Ibid.

<sup>29/</sup> Ibid.

<sup>30/</sup> In January 1970, Allen Levin of the Washington University School of Architecture's Community Design Workshop submitted to Commission staff preliminary findings of a survey of housing conditions in Kinloch. Levin classified Kinloch housing into four categories: (1) needing maintenance; (2) needing minor repair; (3) needing major repair; and (4) dilapidated. He identified 1,549 dwelling units, of which 254 were of recent construction. Of the remaining 1,295 dwelling units 460 needed maintenance; 304 needed minor repair; 332 needed major repair; and 199 were classified as dilapidated.

<sup>31/</sup> Albert Coleman, executive director, Annual Report, Housing Authority of the City of Kinloch, December 1968.

Education

The Kinloch School District is one of 25 in St. Louis County.<sup>32/</sup> The school district is administered by a superintendent who reports to a six-man board. In September 1969, there were 1,438 students enrolled in the Kinloch school system, all of whom were black.<sup>33/</sup> There were 68 teachers, seven of whom were white.<sup>34/</sup>

Many citizens of Kinloch have voiced complaints about the public school system. They complain that the system does not properly prepare students to meet college entrance requirements, that the public schools are used as a training ground for young teachers who stay in the school system for about a year and then move on to another system where pay is substantially higher, and that the schools are inferior to those in other school districts in the county in terms of physical facilities and educational equipment.<sup>35/</sup>

On December 7, 1969, a group of Kinloch citizens called the Concerned Citizens for Quality Education for Kinloch Children, filed a petition with the secretary of the Kinloch School Board, requesting that a proposition be placed on the ballot at the next annual election to determine whether or not the citizens wanted the school district dissolved.<sup>36/</sup> A two-thirds vote is required.<sup>37/</sup>

The purpose of dissolving the district was to require the county board of education to annex the unorganized territory to an adjoining school district.<sup>38/</sup>

The Kinloch School District has four school facilities: Kinloch High, John F. Kennedy Jr. High, Dunbar Elementary, and Kinloch Elementary.<sup>39/</sup> Although the school district had a student enrollment of 1,438 students in the 1968-69 school year, the average daily attendance was 1,204.<sup>40/</sup> Of the 47 students in the 1968 graduating class only 16 went on to enter college, or approximately one-third.<sup>41/</sup> In the two surrounding predominantly white school districts the percentages were substantially higher -- more than 50 percent in the Ferguson School District and approximately 46.2 percent in the Berkeley School District.

In the 1968-69 school year the expenditures per pupil in Kinloch were substantially below the amount spent per pupil in the two adjoining districts and were well below the county average: 42/

Berkeley	\$666.01
Ferguson	637.65
Kinloch	558.12
County average	720.78

<sup>32/</sup> There is also a special school district for St. Louis County for students who need special assistance.

<sup>33/</sup> See George W. Vossbrink, Superintendent, St. Louis County Public Schools, Eighteenth Annual Report of the St. Louis County, Missouri, Public Schools to the County Board of Education for the School Year 1968-1969, Oct. 1, 1969, p. 25. See also staff interview with Dr. Arthur Shropshire, Sept. 23, 1969.

<sup>34/</sup> Commission Field Report, St. Louis, Oct. 21, 1969.

<sup>35/</sup> Staff interview with Mrs. Julia Boyd, Coordinator, Kinloch Gateway Center, HDC, October 21, 1969. See also, staff interview with Mrs. Katherin Crockett, Jan. 8, 1970.

<sup>36/</sup> See Appendix A.

<sup>37/</sup> Hubert Wheeler, Commissioner of Education, The Public School Laws of Missouri, Chap. 162, Sec. 162.451, 1966.

<sup>38/</sup> Hubert Wheeler, op. cit., supra, Chap. 162, Sec. 162.451, 1966.

<sup>39/</sup> George Vossbrink, op. cit., supra, note 33 at 13.

<sup>40/</sup> Ibid., p. 35.

<sup>41/</sup> George Vossbrink, op. cit., supra, note 33, at 51.

<sup>42/</sup> George Vossbrink, op. cit., supra, note 33, at 51.

The State department of education for the State of Missouri is responsible for the classification of school districts in the State. Classifications are established in order to set goals and standards for public schools. The major factors taken into account in rating school districts are: (1) quality of instruction, which includes teacher qualifications, instructional equipment, text books, and supplies provided and (2) breadth of the program offered, which includes the number of courses, services rendered, activities, and opportunities available. 43/ In the 1968-69 school year only two school districts in St. Louis County did not receive a AAA rating: Kinloch and Valley Park. 44/ Kinloch had the lowest number of approved units in the county, 46 3/4 units. The Berkeley School District had 59 1/4 units, and the Ferguson School District had 91 3/4. 45/

#### Tax Base

Kinloch's extremely low tax base prevents the community from providing adequate funds for education. In 1966, the total assessed valuation was \$3,124,609, which was the lowest in the county. 46/ This represented \$3,103 of assessed valuation per pupil, which was less than one-fourth the average of all school districts in St. Louis County. 47/ In the 1968-69 school year, the assessed valuation per pupil in the Kinloch School District was \$3,119, again the lowest in the county, and less than one-fourth of the county average. 48/

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43/ Ibid., p. 38.

44/ Ibid.

45/ Ibid.

46/ Walter and Kramer, op. cit., note 1, at 243.

47/ Ibid.

48/ George Vossbrink, op. cit., supra, note 33 at 51.

TABLE 1  
Population Profile

	Kinloch	SMSA	City of St. Louis	St. Louis County
Population	6,501	2,060,103	750,026	703,532
Percent Negro	100	14.5	28.8	2.8
Percent Increase, 1950-1960	9.1	19.8	-12.5	73.1
Percent male over 18	45.3	46.7	45.0	47.5
Percent female over 18	54.7	53.3	55.0	52.5
Percent over 18	47.5	35.3	30.9	37.8
Percent 18-64	44.4	55.5	56.8	55.3
Percent over 64	8.1	9.3	12.3	7.0
Number of households	1,670	624,641	248,651	198,483
Population per household	3.86	3.23	2.94	3.49

Source: Bureau of the Census, U.S. Department of Commerce, Census of Population, 1960.

TABLE 2  
COMPARATIVE INCOME DATA, 1959

Family Income (all families)	Kinloch	Census Tract 0127	Census Tract 0129	St. Louis County	SMSA
Less than \$1000	15.9	0.5	1.1	1.8	3.8
\$1000 - \$1999	18.3	1.4	0.4	2.4	5.4
\$2000	14.8	2.8	2.4	3.0	5.9
\$3000	12.8	3.7	3.0	4.1	7.2
\$4000	16.7	8.7	9.1	7.2	10.5
\$5000	8.6	15.8	16.6	12.2	13.8
\$6000	3.8	14.8	17.8	13.1	12.5
\$7000	3.6	17.7	15.5	12.0	10.2
\$8000	1.5	11.1	8.4	10.1	8.1
\$9000	1.2	8.4	11.1	7.6	5.7
\$10,000 and over	2.7	15.0	14.7	26.7	16.9
TOTAL	100.0	100.0	100.0	100.0	100.0
Median Family Income	\$3075	\$7124	\$6981	\$7527	\$6275

SOURCE: Bureau of the Census, U. S. Department of Commerce, Census of Population, 1960.

TABLE 3  
COMPARATIVE NEGRO DATA, 1959

Family Income (all families)	Kinloch	St. Louis County	St. Louis City	SMSA
Less than \$1000	15.9	10.8	10.8	12.1
\$1000 - \$1999	18.3	14.7	14.2	15.0
\$2000 - \$2999	14.8	15.8	14.5	14.1
\$3000 - \$3999	12.8	15.0	14.6	14.2
\$4000 - \$4999	16.7	15.4	14.2	14.4
\$5000 - \$5999	8.6	9.7	10.9	10.5
\$6000 - \$6999	3.8	5.6	6.7	6.6
\$7000 - \$7999	3.6	4.2	4.5	4.2
\$8000 - \$8999	1.5	2.8	3.2	2.9
\$9000 - \$9999	1.2	1.3	2.1	2.0
\$10,000 and over	2.7	4.7	4.3	4.1
TOTAL	100.0	100.0	100.0	100.0
Median family Income	\$3075	\$3578	\$3718	\$3622

SOURCE: Bureau of the Census, U. S. Department of Commerce, Census of Population, 1960.

TABLE 4  
Comparative Educational Levels  
(Percent)

Highest number of school years completed by persons 25 years and over	Kinloch	Census Tract 0127	Census Tract 0129	St. Louis County	Negro St. Louis County	Negro St. Louis County	
None	0	3.8	0.3	0.2	0.9	3.0	2.6
	1-4	15.7	2.3	2.2	2.7	14.9	13.3
Elementary	5-7	23.8	9.9	9.6	9.9	22.3	22.4
	8	21.3	23.4	22.9	20.2	17.9	16.9
High School	9-11	17.0	23.4	25.0	17.9	19.2	21.1
	12	13.7	27.1	29.8	26.6	13.8	14.9
College	13-15	3.6	8.3	6.4	10.2	4.5	5.3
	16 or more	1.2	5.2	3.8	11.6	4.4	3.4
Median (years)		8.3	10.8	10.8	11.7	8.6	8.7

SOURCE: Bureau of Census, U. S. Department of Commerce, Census of Population, 1960.

## APPENDIX A

PETITION FOR DISSOLUTION OF THE KINLOCH SCHOOL DISTRICT

Section 162.451 of Title XI of the Public School Laws of Missouri, Missouri Revised Statutes, 1959, Amended Laws and New Laws, 1961, 1963 and 1965, provides that upon petition of at least one hundred resident voters and tax payers of a school district, after such petition has been filed with the School Board, the proposition of dissolving a six director district shall be submitted to a vote of the qualified electors at the annual school election and if two-thirds of the voters and tax payers present and voting thereon vote in favor of dissolution, the district shall be dissolved and the same territory included in the district may be reorganized as provided by law;

Therefore, we, citizens, resident voters and taxpayers of Kinloch, Missouri petition that the proposition for dissolution of the Kinloch School District be placed on the ballot at the next annual election, to be held on the first Tuesday in April of 1970, in the manner provided by law.

	<u>NAME</u>	<u>ADDRESS</u>	<u>CITY, STATE</u>
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____

## APPENDIX B

CITY OF KINLOCH  
 ANTICIPATED INCOME  
 1969-1970

Description:	Amount										
<b>Taxes and Licenses</b>											
1. Motor Vehicles	6,600.00										
2. Merchant License	1,233.00										
3. Trash Collection	7,000.00										
4. Building Permits	2,000.00										
5. Electric Permits	1,200.00										
6. Plumbing Permits	1,500.00										
7. Liquor License	870.00										
8. Peddlers License	150.00										
9. Traffic Fines	5,500.00										
10. Cab License	150.00										
11. Cab Inspection	50.00										
12. Court Fines	2,800.00										
13. Utilities	20,000.00										
14. Property Tax	4,000.00										
15. Real Estate	15,000.00										
16. Delinquent Property Tax	1,500.00										
17. Delinquent Real Estate	3,000.00										
18. Gasoline	31,000.00										
19. Demolition Permits	50.00										
20. Intangible Tax	10.00										
21. Road Fund	7,700.00										
22. Bond Fees	150.00										
23. Housing Authority	5,000.00										
24. Excavation	2,500.00										
25. Cigarettes Tax	40,000.00										
Total	\$ 157,963.00										
<b>Disbursements</b>											
	14,000.00										
Net	143,963.00										
	138,983.45										
Balance	4,979.55										
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">City Hall</td> <td style="text-align: right;">\$ 17,150.65</td> </tr> <tr> <td>General Fund</td> <td style="text-align: right;">12,700.00</td> </tr> <tr> <td>Road Dept.</td> <td style="text-align: right;">36,336.00</td> </tr> <tr> <td>Police Dept.</td> <td style="text-align: right;">72,196.80</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>\$138,983.45</u></td> </tr> </table>		City Hall	\$ 17,150.65	General Fund	12,700.00	Road Dept.	36,336.00	Police Dept.	72,196.80		<u>\$138,983.45</u>
City Hall	\$ 17,150.65										
General Fund	12,700.00										
Road Dept.	36,336.00										
Police Dept.	72,196.80										
	<u>\$138,983.45</u>										

## APPENDIX B (Cont'd.) (2)

The Ways & Means Committee recommended the following budget and payroll polices for the considation of the Board, for the City of Kinloch, Missouri.

City Hall Budget

Mayor	1,000 .00
Alderman	3,600.00
Judge	900.00
Collector	3,600.00
Accountant	600.00
Janitor	2,500.00
Expenses	300.00
Jail	100.00
F.I.C.A. Matching	370.65
Clerk	4,000.00
Treasure	<u>480.00</u>
	\$ 17, 450.65

General Fund

City Atty.	2, 000.00
Note City Hall Bldg.	2,600.00
Insurance & Bonding	800.00
Telephone	1,000.00
Gas, Electric	1,000.00
Fire District	600.00
School District	2,200.00
Judges Dues	200.00
Interest on 2nd Deed	800.00
Miscellaneous	<u>1,500.00</u>
	\$ 12,700.00



## APPENDIX B (Cont'd.) (3)

1ST YEAR - 1969PERSONNEL AND RECURRING EXPENSES

6 PATROLMEN ( 6 Months Recruit, then promoted to Patn.LLL)	\$33,300.00
1 SERGEANT	6,200.00
1 CAPTAIN	7,000.00
1 CHIEF	8,000.00
1 POLICE CLERK	4,200.00
Salary Total	\$58,700.00
UNIFORM ALLOWANCE - 9 Officers, \$10.00 per month	1,080.00
Education-Junior College; 2 courses per year;	
5 Officers to attend; year cost,	
\$390.00; Officers to pay 50%; city	
to pay 50%	195.00
INSURANCE-Blue Cross-Shield-Family & Individual	
Plan-Annual cost, \$2,062.80-Employee	
& City to share, 50% each	1,031.80
MAINTENANCE COST ON VEHICLES-Equipping	6,000.00
RADIO DISPATCHING CONTRACT	240.00
CLERICAL SUPPLES	200.00
POSTAGE	50.00
DISPOSABLE	100.00
	\$8,896.80
CAPITAL OUTLAY	
9 Revolvers-38 Caliber-\$60.00 each	540.00
2 Vehicles to be purchased, less trade-Difference	
in cost	2,800.00
1 Radio-Mobile, 3 frequency	1,400.00
1 Raio Receiver for office	160.00
Total	4,900.00
Grand Total	\$72,496.80

## APPENDIX B (Cont'd.) (4)

## ROAD DEPT. BUDGET

RECOMMENDATIONS AS OF JANUARY 23, 1969

1.	Forman - \$2.25 per hour - \$18.00 per day - 5 days a week - 40 hours a week - \$90.00 a week.	\$ 4,680.00
2.	(1) Truck driver - \$2.10 per hour - \$16.80 per day - 5 days a week - 40 hours a week - \$84.00 a week.	4,368.00
3.	(1) Truck driver - \$2.10 per hour - \$16.80 per day 5 days a week - 40 hours a week - \$84.00 a week.	4,368.00
4.	Labor - \$2.00 per hour - \$16.00 per day - 5 days a week - 40 hours a week - \$80.00 a week.	4,160.00
5.	Labor - \$2.00 per hour - \$16.00 per day - 5 days a week - 40 hours a week - \$80.00 a week.	4,160.00
	Total	<u>21,736.00</u>
1.	Old Bills	5,000.00
2.	Maintenance	1,000.00
3.	Material	3,000.00
4.	Fringe Benefits	600.00
5.	New Equipment	<u>5,000.00</u>
	Grand Total	\$ <u>36,336.00</u>

Off on these Holidays: Memorial Day, 4th of July, Labor Day, Thanksgiving Day, X-mas, New Year, Kinloch Day, Martin Luther King Day.

## APPENDIX C

**SUMMARY OF FINANCIAL DATA  
OF THE ST. LOUIS COUNTY SCHOOL DISTRICTS  
FOR THE 1968-1969 SCHOOL YEAR**

DISTRICTS	Assessed Valuation	Tax Levy	Current Expenditures	Current Expenditures Per Pupil In ADA	Ass'd. Val. Per Pupil In ADA
Aftton	\$ 69,243,810	\$3.95	\$ 3,381,287	\$841.62	\$17,233
Bayless	30,135,300	3.69	1,546,185	611.50	11,920
Berkeley	84,595,074	3.30	3,297,138	666.01 ✓	17,089
Brentwood	37,878,278	3.43	1,563,529	970.88	23,526
Clayton	97,728,150	3.45	3,185,676	1,427.00	43,785
Ferguson R-2	155,870,690	4.53	10,900,171	637.65 ✓	9,287
Hancock Place	23,217,690	3.83	1,231,932	592.72	11,173
Hazelwood	209,467,000	4.90	12,654,015	663.19	10,978
Jennings	58,552,170	3.62	2,493,804	914.49	21,471
Kinloch	3,755,960	4.23 ✓	661,542	558.12 ✓	3,119 ✓
Kirkwood R-7	118,324,800	4.75	6,963,333	756.95	13,031
Ladue	149,837,576	3.97	6,445,990	1,082.00	26,017
Lindbergh	138,552,290	3.95	7,267,341	697.30	13,342
Maplewood-Richmond Hts.	47,784,390	3.35	2,136,029	764.60	17,522
Mehlville R-9	111,717,335	4.17	5,769,346	635.86	12,377
Normandy	100,741,310	4.28	5,807,563	726.71	12,567
Parkway	166,470,615	4.95	9,916,954	666.08	11,180
Pattonville R-3	133,567,350	4.37	7,061,197	699.82	13,237
Ritenour	126,992,570	3.94	7,799,359	632.35	10,296
Riverview Gardens	94,135,190	4.46	5,509,396	634.46	10,827
Rockwood R-6	79,842,530	4.10	4,659,150	676.90	11,599
University City	116,515,920	4.32	6,521,877	921.89	16,468
Valley Park	7,563,690	4.09	537,577	577.35	8,124
Webster Groves	100,543,320	4.84	5,862,093	769.62	13,199
Wellston	21,930,760	4.49	1,191,202	653.13	12,023
Special District		.25	6,027,847		
<b>TOTAL ALL DISTRICTS</b>	<b>\$2,284,963,768</b>		<b>\$130,391,533</b>		
<b>AVERAGES</b>		<b>\$4.11*</b>		<b>\$720.75*</b>	<b>\$13,243*</b>
*Exclusive of Special District					

## APPENDIX D

**ASSESSED VALUATIONS  
AS REPORTED BY COUNTY CLERK  
NOVEMBER, 1968**

DISTRICT	Real Estate	Personal	Merchants & Mfg.	Local Utilities	Total Valuation
Afton	\$ 57,620,460	\$ 9,457,850	\$ 1,943,100	\$ 222,400	\$ 69,243,810
Bayless	24,974,850	4,376,390	340,560	443,500	30,135,300
Berkeley	55,693,040	19,097,684	9,506,240	298,110	84,595,074
Brentwood	29,726,808	5,677,060	2,425,920	48,400	37,878,228
Clayton	80,590,360	14,258,240	2,840,750	38,800	97,728,150
Ferguson R-2	129,592,630	22,621,280	2,779,720	477,060	155,870,690
Hancock Place	18,864,120	2,969,400	1,343,720	40,450	23,217,690
Hazelwood	165,164,280	29,533,290	14,252,250	517,180	209,467,000
Jennings	45,621,500	8,318,890	4,610,720	1,060	58,552,170
Kinloch	2,694,830	1,036,170	24,960		3,755,960
Kirkwood R-7	100,447,100	15,190,850	2,143,340	543,510	118,324,800
Ladue	128,254,361	17,625,355	3,178,640	779,020	149,837,376
Lindbergh	114,760,950	18,632,690	4,801,430	357,220	138,552,290
Maplewood-Richmond Hts.	38,216,320	6,599,870	2,820,430	147,770	47,784,390
Mehlville R-9	87,940,380	13,769,775	2,868,650	7,138,530	111,717,335
Normandy	82,711,010	15,394,350	2,482,380	153,570	100,741,310
Parkway	142,731,115	19,132,320	1,591,660	3,015,520	166,470,615
Pattersonville R-3	102,927,930	18,102,890	12,460,330	276,300	133,567,350
Ritenour	100,725,910	20,518,750	5,371,430	373,480	126,989,570
Riverview Gardens	77,740,490	13,667,540	2,308,280	418,880	94,135,190
Rockwood R-6	62,800,660	9,424,350	7,280,940	336,580	79,842,530
University City	98,118,590	15,328,180	2,761,410	107,740	116,315,920
Valley Park	5,584,360	1,070,660	886,500	21,970	7,563,690
Webster Groves	84,223,550	13,502,380	2,611,370	207,020	100,544,320
Wellston	14,611,690	2,184,110	4,658,330	476,630	21,930,760
<b>TOTAL</b>	<b>\$1,852,736,494</b>	<b>\$317,690,324</b>	<b>\$98,096,260</b>	<b>\$16,440,690</b>	<b>\$2,284,963,768</b>
Pacific R-3	692,900	77,100	107,080		877,080
Total St. Louis County	\$1,853,429,394	\$317,767,424	\$98,203,340	\$16,440,690	\$2,285,840,848
			State Assessed Utilities		118,882,148
			Total St. Louis County		\$2,404,722,996
Special District					\$2,285,840,848

*Exhibit No. 33*

Seven Photographs of Conditions in Kinloch, Missouri

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"S T A T E O F T H E C O U N T Y"

delivered

by

LAWRENCE K. ROOS

SUPERVISOR, ST. LOUIS COUNTY

to the

MEMBERS OF THE ST. LOUIS COUNTY COUNCIL

January 8, 1970

## STATE OF THE COUNTY

January 8, 1970

Mr. Chairman, Members of the County Council:

Once again it is my privilege to report to you and to our citizens on the State of our County.

In previous annual messages, it has been my practice to review the record of the immediately preceding year and to project my recommended program for the year ahead. This year, with your indulgence, I shall depart somewhat from that tradition .....for this is a special year. It marks the end of the 60's. It marks our entrance into a new period.....the 70's.....which in my judgment will be the most crucial years in the history of St. Louis County. So, rather than limiting my observations to 1969 and 1970, I shall instead retrace with you the most significant events of the decade just ended, and devote the principal emphasis of this message to the challenges that lie ahead.

The 1960's marked the transition of our County government from the horse and buggy stage, when the County Courthouse was typified by sloth, waste and antiquated management of public affairs, to the emergence of what today is generally considered to be one of the most efficiently operated local governments in this Nation. It was a period during which we succeeded in re-shaping the machinery of County government so that today we are able efficiently to serve our more than one million citizens who

reside in this jurisdiction. It saw the formation of a regional council of local governments, and the emergence of our County as a leader in a new regional attack on area-wide problems. For St. Louis County, the decade of the 1960's was a decade of progress.

Several factors made that progress possible. First of all, we were successful in restoring public confidence in County Government. This was accomplished early in the decade through the enactment of our tough County Conflict of Interest law and through the insistence of this Administration that we would tolerate nothing less than the highest standards of official conduct on the part of County officials and employees. Concurrently, we succeeded in reducing governmental waste so that our heavily-burdened taxpayers can feel secure in the knowledge that they are receiving full value for their tax dollars. We appointed men and women of demonstrated competence to key managerial positions within the government. We established a professional merit system to replace the favoritism of the old spoils politics. And we introduced into County Government such proven techniques of business management as modernized uniform purchasing procedures, cost controls, extensive use of automation and a continuing independent fiscal audit of our operations.

If I were to rank in priority of importance the accomplishments of the past decade, none would surpass in importance the adoption of our new County Charter in 1968. Clearly the most significant advance in the history of County Government, our new Charter has created the most streamlined and up-to-date governmental structure of any county in the United States. Under the new charter, clear lines of authority have been delineated, outmoded offices, practices and procedures have been eliminated, and the functional means of serving our citizens efficiently and effectively has been greatly enhanced. From the point of view of the internal operations of County Government, we are second to none.

Our record industrial and commercial growth during the 60's made possible the steady expansion of our tax base, thus producing the revenues to support increasing services to our citizens. By activating the Office of Business and Industrial Development early in our Administration, we have been able to stimulate industrial and commercial growth at a rate that staggers the imagination. An average of one new business now opens its doors each day in St. Louis County. During the past five years, total payroll received by County wage earners has more than doubled. Eighty-nine thousand new jobs have been created in

St. Louis County during the same period, and, in spite of tight money and high interest rates, total residential construction during 1969 is booming at a rate 110% ahead of 1963. Our modern building, plumbing and electrical codes, the availability of the good things in life for those who live and work in St. Louis County and a reputation for honest and efficient County Government..... are all factors that have led to our record economic growth.

Any review of the past decade would be incomplete if it did not include mention of the impressive capital improvements approved by our citizens at a time when bond issues elsewhere were increasingly being rejected. The 1960's saw the approval of nearly \$100 million of vitally needed roads and highways, \$25 million of new park and recreational facilities, \$20 million for a magnificent new County Government Center, \$5 million for a Children's Center and \$2 million for the recently opened Adult Correctional Institution. The approval of these projects by our citizens followed a long period of neglect and rejection of our capital needs and reflect not only renewed confidence in County Government, but an extraordinarily high degree of civic awareness and responsibility on the part of our citizens.

The 60's saw a significant strengthening of the County Police Department in its fight against crime. We have more than

trebled the manpower of the department. We have activated a police training academy where County and Municipal recruits receive professional training. Communications have been improved a central records system established and we are currently planning to inaugurate the use of helicopters, an expanded data processing system and other advanced techniques of strengthened law enforcement. For anything less than fully professional proficiency in law enforcement is intolerable in this time of increasing crime, violence and lawlessness.

These, then, are the most dramatic achievements of the 60's. I say "most dramatic," as time precludes more than passing mention of other very important accomplishments including:

- \* The enactment in 1965 of a Master Zoning Ordinance
- \* The designation of a County Urban Highway System
- \* Establishment of a County Commission on Human Relations and the enactment of Public Accommodations and Fair Housing Ordinances
- \* Forging new bridges of understanding with our metropolitan neighbors through sponsorship of the Regional Industrial Development Corporation and the East-West Gateway Coordinating Council
- \* Development of a comprehensive program for the elimination of air pollution
- \* The acquisition of 3,000 acres of park land, and the

expansion of health and hospital programs.

These and other accomplishments tell the story of the 60's. They comprise a record of which we can all be justly proud. Yet to assume that the successes of the 60's will in themselves assure a rosy future would be the height of self-delusion. For as we look ahead, we see on the horizon factors that are at the same time both promising and ominous.

Any responsible plans for the future must be predicated on the assumption that our dynamic population growth is certain to continue. It is anticipated that an additional 400,000 citizens will settle in St. Louis County during this decade. This means an average of 100 new County residents each day for the next ten years. By 1980 Countians will represent 43% of the population of the total metropolitan area. Our challenge of the 70's will be to accommodate our growth in an orderly way so as to avoid racial unrest, civil disorder, burgeoning crime and delinquency and increasing differences in individual opportunity for education, housing and employment. For the decisions we make today will determine the style and quality of County living for generations ahead. By today's decisions we can determine what St. Louis County will look like in 1980; how people will get around in it; whether our County will be committed to a policy of beauty or

unplanned development with garish ribbons of neon-lighted strip commercial establishments along our major streets and highways; whether we permit our older urban sections to deteriorate by tolerating rooming houses, second-hand stores and other commercial and residential uses that so often cast blight; whether we continue to tolerate a costly jurisdictional jungle of more than 160 competing, overlapping, uncoordinated independent political units or attempt to mold a structure of local government which will better serve our citizens at a lesser cost; whether we assure equality of educational opportunity for our young people or will we be satisfied for the quality of available schooling to depend upon the happenstance of local economic development.

These are the kinds of questions we must answer..... these are the problems of the 70's. They are people problems. They are problems that can be solved and will be solved if only we have the good judgment to face up to them and the courage to do now what is necessary to conquer them.

I have chosen seven basic goals which we must set for ourselves if we are to preserve St. Louis County as the sort of community in which one million countians have chosen to live, work and raise children. They are by no means all-inclusive, but they



represent a foundation for continued County progress and prosperity during the decade of the 70's:

1. We must reduce crime and juvenile delinquency through improved law enforcement, speedier and more efficient justice in the courts and the rehabilitation, where possible, of those who have broken the law.

2. We must assure equal educational opportunity for all of our children.

3. We must create 200,000 new job opportunities by 1980.

4. We must provide expanded services and facilities without further burdening our property taxpayers.

5. We must eliminate the costly fragmentation of local government services within our County.

6. We must strengthen regional cooperation among all of the local governments in this metropolitan area.

7. We must preserve that quality of life which has made suburban living attractive.

I shall discuss each of these challenges separately.

#### 1. CRIME REDUCTION

No social need is more dramatically in the minds of our citizens today than the reduction of crime. Any Countians

who may in the past have deluded themselves into a belief that crime is a concern only of the inner city have only to study published crime statistics to know that our suburbs have become a fertile field for burglars and others who operate outside the law. At a time when crime is so prevalent and criminals are so highly professional in their operations, it is essential that our capacity to deal with that problem be vastly strengthened.

As I pointed out earlier, we in County Government have done much in recent years to strengthen the ability of our County Police Department to function more effectively. But crime recognizes no jurisdictional boundaries, and its control requires the involvement of many agencies and many segments of society.

As a fundamental step in controlling crime, we must achieve closer cooperation between the County Police, the municipal agencies within St. Louis County and the Police Department of the City of St. Louis. The 1967 report of the Public Administration Service set forth a blueprint for such closer cooperation. Its continued implementation is vital.

Of priority importance in this connection is the building and full programming of a new police training academy that is truly metropolitan in scope, the establishment of a metropolitan data processing system, the creation of a

metropolitan crime laboratory and acceptance and use by the municipalities of St. Louis County of the supportive services offered by the County Police Department. If the various police agencies in this region continue to go their own way independently of each other, the only beneficiary will be the criminal. Our citizens deserve nothing less than full cooperation by all concerned, for only by working together can we conquer the cancer of crime.

But effective law enforcement is only one aspect of crime control. Along with improved police protection, we must address ourselves to the control of juvenile delinquency, the devastating scourge of drug addiction, the need for speedier justice in our courts, the rehabilitation of youthful and adult offenders who are detained in our correctional institutions and other subjects closely related to the reduction of crime.

In this connection, I would hope that during the decade of the 70's our State Government will accept a more meaningful role in assisting urban regions in our efforts to fight crime. Through expanded state investigative services, the establishment of regional data processing systems, mandatory minimum standards of training and assumption of the responsibility for regional detention facilities, the State can become an important ally of

local government in our war on crime.

Finally, the prevention of crime cannot be accomplished by government and law enforcement agencies alone. If we are to reduce crime, we as private citizens must assume a greater degree of responsibility. While government must do its part, so must each family strive for higher standards of upbringing; our schools and churches must help rekindle respect for the orderly processes of law, and the entertainment industry has an obligation to resist its recent trend toward glorifying violence and making folk heroes out of desperadoes and criminals.

Only by such a combined effort, involving both the public and private sectors, can our society really come to grips with the contagion of crime.

## 2. EQUAL EDUCATIONAL OPPORTUNITY

There exist today in our County serious inequities in per capita expenditures for the schooling of children living in different parts of the County. Our wealthiest school districts, because of their stronger tax base, are able to spend on education more than three times as much per capita as their less wealthy neighbors. In these days when it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education, and where those who are denied a good

education frequently become expensive drains on society, it is essential to achieve a better division of public school support. Frequently, children needing education the most receive the least.

While public education is not the direct responsibility of County Government, it is closely related to the prosperity of our community. It is my fervent hope that greater equalization of educational opportunity throughout St. Louis County will be achieved, either through some form of County-wide equalization of school taxes or by a significant increase in State aid to local school districts, or a combination of both.

### 3. JOBS

It is important for us to plan now for jobs for the new residents who will move into our County and for the thousands of our children who graduate each year from our schools and colleges. Our economists estimate that it will be necessary to create 200,-000 new job opportunities if we are to have full employment for our citizens in 1980. To do this, we must not only continue the record industrial, commercial and residential growth that has occurred during recent years, but we must step up that growth through the continued effective activities of the Office of Business and Industrial Development. At the same time, we must continue to offer the excellent quality of life and government which are so

important to industry in its choice of a plant location or to commercial interests in locating stores, warehouses and offices.

#### 4. EXPANDED SERVICES AND FACILITIES

A corollary to a growing and expanding population is an increased demand for more government services and more physical facilities of all sorts. As our population increases by one-third during this decade, it follows that local government will be called upon to provide expanded health, hospital, parks and recreation, law enforcement, correctional and scores of other vitally important services that are the every-day business of local government. At the same time, we will be called upon to create more physical facilities.....more roads, more schools, more parks, more public buildings, and more of everything.

In addition to providing these services and facilities in a more than satisfactory manner, we must offer them at a cost which our citizens are willing to support. Presently the property tax provides the principal source of financial support for the services and facilities of local government in St. Louis County. The experience of recent years has demonstrated that property owners in St. Louis County and elsewhere are resisting any increase in the burden of property taxes, and that other sources of revenue will have to be found to support additional services and facilities.

While broadened sources of local taxing authority will doubtless have to be considered during this decade, the most immediate relief for the property taxpayers would be a sharing of the federal income tax with states, cities and counties and a greater assumption on the part of the State of its proper responsibility for supporting local functions. Until such revenue sharing and fiscal cooperation is forthcoming from higher levels of government, it will be impossible for local government adequately to fulfill its functions in our urban society.

Of equal importance to seeking expanded sources of revenue to support expanded services and facilities, is a rededication on the part of government toward constantly greater efficiency, better management and unquestionable integrity. Local government must continue to upgrade the professional quality of all its operations. We must increase our ability to compete with the private sector of the economy in recruiting qualified personnel. We must meet the competition of other governments and industry in the compensation and working conditions offered to government personnel. Above all, we must make certain that, as our scope of operations expands, we do not lose touch with the individual men and women who are the reason for our existence and without whose support and confidence we cannot possibly fulfill our function.

##### 5. LOCAL GOVERNMENT SERVICES

A recent publication of a national commission on urban affairs describes the St. Louis area as "a notorious example of the governmentally-crowded modern metropolis." Within the boundaries of St. Louis County alone there exist more than 160 separate agencies of local government. Many of these are too small to be able to provide satisfactory governmental services; others overlap and duplicate the efforts of their neighbors. Most citizens of the County are served by a minimum of five separate units of local government.....a County, a municipality, a school district, a junior college district and a sewer district..... and many are subjected to the taxes of even more. If we are to enhance our capacity to solve local problems locally, we must civilize the jurisdictional jungle of local governments which presently characterizes our County.

There are varying points of view as to the ideal structure of local government. Some suggest an outright merger of all local governments into one massive super government with jurisdiction over the entire area. The experience of other metropolitan areas has demonstrated that large-scale government frequently results in unnecessarily high overhead costs and a reduced responsiveness to the divergent needs, conditions and



expectations of the diverse elements which it serves. Too many big city governments today seem remote and alien to their citizens.

At the other end of the spectrum is our present balkanized and fragmented system.

Between these two extremes is the goal we seek. Our objective is a County-Municipal partnership in which County Government would concentrate on area-wide functions too broad and too expensive for individual municipalities, and municipal governments would concern themselves with more localized functions for which they are better suited. Such a partnership is logical, workable and politically achievable. It is a concept which my Administration recommends.

The key to the achievement of such a County-Municipal partnership is approval of the proposed amendment to the State Constitution which would grant full home rule to the citizens of St. Louis County. Home rule would enable our citizens to fashion a more workable assignment of County and Municipal responsibilities, and would provide the key to more effective and more efficient government. There is nothing we more urgently need than full home rule followed by a careful and mutually acceptable division of responsibilities among our various agencies of local government.

## 6. REGIONAL COOPERATION

As we enter the 70's it is increasingly obvious that we in St. Louis County have an obligation to exercise continued leadership in matters of regional concern. For just as no man is an island unto himself so are we all members of one interdependent metropolitan community; our future as a progressive locality depends on our willingness and ability to work together with other local governments for our common regional interests. There is already in existence an agency through which such cooperation can be accomplished in matters of regional concern without giving up our local sovereignty or our traditional structures of politically responsive local government. I am speaking of the recently created East-West Gateway Coordinating Council, a regional council of governments made up of the elected chiefs of local governments and private citizens reflective of the interests of the general community.

I would urge a material strengthening of the East-West Gateway Coordinating Council to deal with a broad range of regional concerns such as refuse disposal, coordination of law enforcement, the metropolitan management of airports, rapid transit, regional park and recreational planning, and other activities that extend beyond the confines of any individual

jurisdictions of local government. The success of the East-West Gateway Coordinating Council during its early years of existence has demonstrated the ability and willingness of the elected officials of this metropolitan area to work together for the common good. Its further expansion as a regional problem-solver is essential to the prosperity of this total metropolitan community, for without such regional progress, we at the local level cannot progress.

#### 7. QUALITY OF LIFE

Finally, and perhaps most important of all as we enter the decade of the 70's, is the challenge to preserve in St. Louis County that quality of life which has made suburban living attractive. For although St. Louis Countians recognize our interrelationship with the rest of the metropolitan community and recognize our responsibility to work with our neighbors in the city for the improvement of our total community, I believe that our first responsibility lies in avoiding in our County those mistakes which have created such serious problems elsewhere. We must maintain a decent standard of living with adequate housing and the best possible educational opportunities for all of our citizens. We must eradicate blight wherever it presently exists within the County, for all of our citizens are entitled to decent

housing. We must adopt County-wide housing codes and provide County-wide enforcement of those codes so as to prevent the emergence of future slums. We must recognize the potential that exists for heightened racial tensions and must build our program of human relations toward the goal of equal opportunity in fact as well as in law for all of our citizens.

Along with the achievement of the highest quality of social values, we must assure the preservation of a wholesome and healthy physical environment. So much has been written and spoken about the dangers of air pollution, water pollution and the intolerable increase in the noises of modern living that a detailed analysis of how to meet these hazards would be superfluous. Suffice to say, the solution of all other problems will be meaningless if the environment in which we as human beings attempt to live becomes intolerable. For this reason, as we enter the 1970's, we must resolve to do whatever is necessary to cleanse the air we breathe, to purify the water we drink, and to control the physical environment of which we are a part.

This, then, is my program for the 70's. The elimination of governmental fragmentation.....equal educational opportunity.....200,000 more jobs.....a reduction in crime.....expanded services and facilities at a price we can pay.....

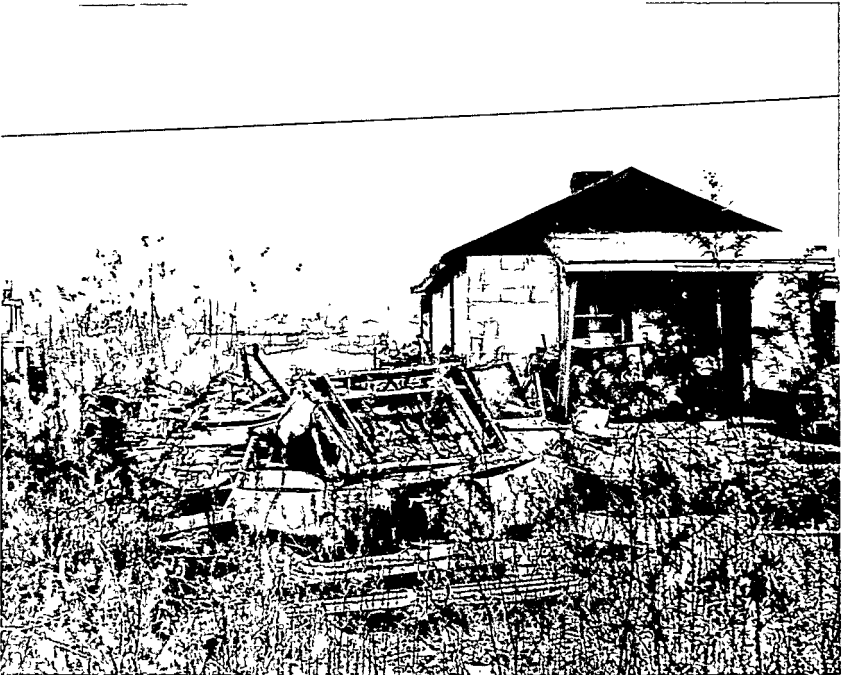
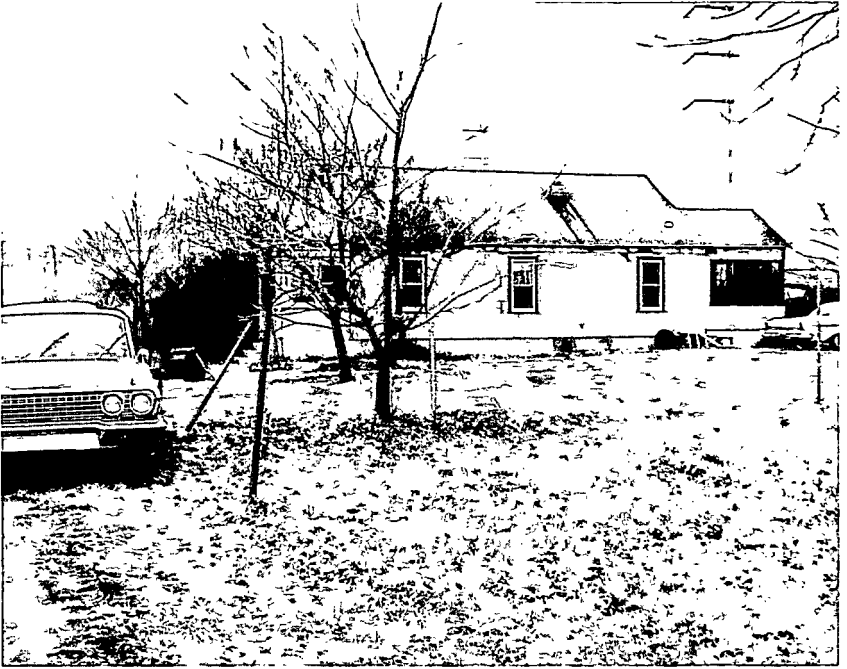
regional cooperation, and a preservation of a quality of excellence in living....these are our goals.

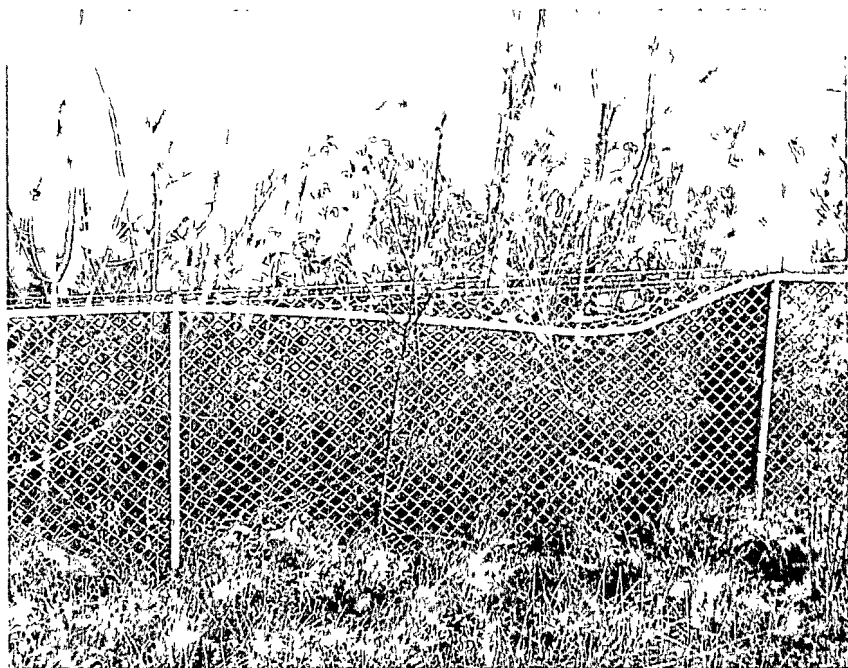
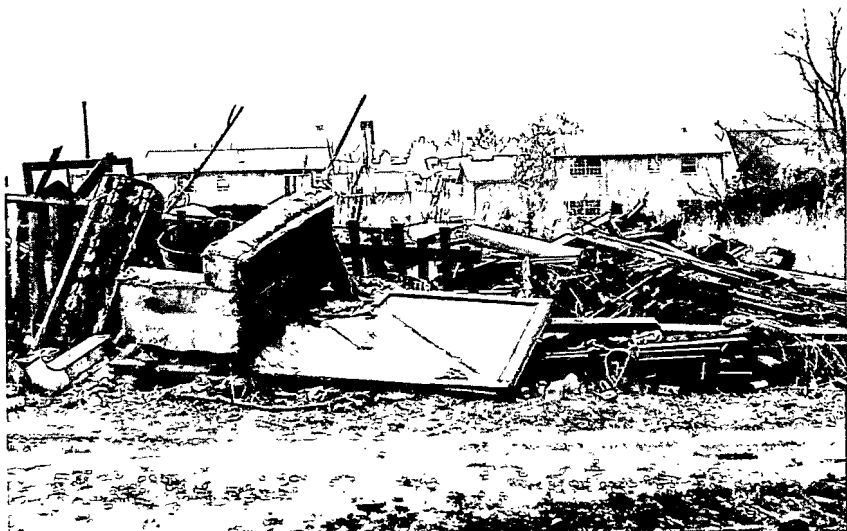
In my first State of the County message on January 3, 1963, I said, "St. Louis County stands at the crossroads. We can travel the road of mediocrity and march sooner or later into oblivion. Or we can move forward." As we review in retrospect the record of the past seven years, I believe that we can say in truth that we have moved forward.

Yet what is past is prologue, and much remains to be done. I am confident that the people of St. Louis County will never settle for less than the best. I am also confident that we can have the best if we will but rise to the task ahead with the same dedication and determination that has made possible our past achievements. This is our challenge for the 70's!

*Exhibit No. 35*

Four Photographs of Conditions in Olivette, Missouri





*Exhibit No. 36*

Letters from T. I. Maupin to Leonard E. Church, Regional Director, Urban  
Renewal-HHFA, June 18, 1963

Information from this letter is retained in Commission's files



*Exhibit No. 37*

Memorandum from H. Earl Rosamond, Assistant Regional Administrator for Program Coordination and Services, to G. A. Parker, Assistant Regional Administrator for Model Cities, Region V, Department of Housing and Urban Development, May 16, 1969

This exhibit is retained in the Commission's files.

*Exhibit No. 38*

Statement by Roy Powell

This exhibit is retained in the Commission's files.

Exhibits No. 39 through 41 were entered into the record in Executive Session.

ADDITIONAL DOCUMENTS ENTERED INTO THE HEARING RECORD

*Exhibit No. 42*

Supplementary Material Submitted by the McDonnell Douglas Corporation\*



23 January 1970

United States Commission on Civil Rights  
1405 Eye Street  
Washington, D. C. 20425

Gentlemen:

I send you herewith a memorandum containing the information requested by the Commission at its hearing in St. Louis on 15 January 1970.

Yours very truly,

A handwritten signature in cursive script that reads "George S. Roudebush".

George S. Roudebush  
Vice President-General Counsel

Enclosure  
Air Mail

\*Attachment A to the Interoffice memo on "Supervisory Pool Program—Selection of Foremen and General Foremen" has been retained in Commission's files.

UNITED STATES COMMISSION ON CIVIL RIGHTS

Memorandum of McDonnell Douglas Corporation  
Submitting Information Requested at Commission Hearing  
Held in St. Louis, Missouri on 15 January 1970

1. The McDonnell Douglas Corporation (MDC) news release on the award of the F-15 contract to MDC dated 23 December 1969 is attached as Exhibit A.
2. The total number of assistant foremen classified as Assistant Foreman--Housekeeping on 11 January 1970 was 31, of which 18 were black and 13 were white.
3. The method by which supervisors are chosen is described in the memorandum entitled Supervisory Pool Program, attached as Exhibit B.
4. The equal opportunity provisions in the F-15 contract are as follows:

Contract Definition Contract: USAF Contract F33657-69-C-0657 with an effective date of 1 January 1969 covered the Phase IB and IC System Definition Effort for the F-15 Weapon System. This contract covered the period through 31 December 1969 and contained the Equal Opportunity Clause set forth in ASPR 7-302.17 (1964 April), as modified by the Contract General Provision B(1). This provision substituted certain parts of Executive Order 11246 dated 24 September 1965 in lieu of Executive Order 10925 dated 6 March 1961. On 16 July 1969, Contract Modification P010 deleted the aforementioned clauses and substituted therefor the Equal Opportunity Clause contained in ASPR 7-103.18(a).

In addition, this contract required as part of the MDC proposal for Phase II (Acquisition Phase) a certification of "nonsegregated facilities" and a representation as to whether MDC had or had not participated in a contract or subcontract subject to the Equal Opportunity Clause. MDC executed both the certificate and the representation and included same in the proposal for the F-15 Acquisition Phase dated 29 August 1969. The Model Contract for the F-15 Acquisition Program which was also submitted to the USAF on 29 August 1969 by MDC contained ASPR 7-103.18(a) (1969 January).

F-15 Acquisition Phase Contract Equal Opportunity Provisions: The contract which was finally executed on 31 December 1969 with an effective date of 1 January 1970 contains, without modification, the Equal Opportunity Clause as set forth in ASPR 7-103.18(a) (1969 January).

5. During 1969 there were 728 complaints filed in the grievance system established between MDC and the International Association of Machinists and Aerospace Workers. A review of all complaints shows that 11 complaints, or 1.5%, may have had racial overtones. One complaint was filed by a white employe, one by an American Indian and nine by blacks. Disposition of the complaints is as follows:

Discharge upheld	4
Discharge modified to resignation	1
Aggrieved employe satisfied by explanation or transfer	4
Aggrieved employe accepted apology	1
Written reprimand reduced to verbal warning	1

## 6. The number of new employes employed in St. Louis during 1969 by race is:

<u>White</u>	<u>Other</u>	<u>Total</u>
4,413	651	5,064

The number of employes promoted (upgradings and reclassifications) in St. Louis during 1969 by race is:

<u>White</u>	<u>Other</u>	<u>Total</u>
3,448	405	3,853

The number of employes in St. Louis by race on two comparative dates was:

	<u>White</u>	<u>Other</u>	<u>Total</u>
25 June 1967	39,321	4,829	44,150
18 January 1970	31,659	2,728	34,387

7. Statistics on the evening study program for the period 2 January 1967 to 28 December 1969 are:

	<u>Started</u>	<u>Completed</u>	<u>Per Cent</u>
White	13,842	8,495	61.37
Black	1,349	607	45.00

Statistics on the college study training program for the school year 1968/69 are:

	<u>Reimbursed Under Plan</u>	<u>Graduated</u>
White	1236	152
Black	26	1

*Robert C. Krone*

23 January 1970

Robert C. Krone, Vice President-Personnel

# News

From MCDONNELL DOUGLAS CORPORATION



St. Louis, Missouri 63166 (314) 232-5911

FOR IMMEDIATE RELEASE

69-163

ST. LOUIS, Mo., December 23, 1969 -- Secretary of the Air Force Robert C. Seamans, Jr., announced today that the McDonnell Douglas Corporation of St. Louis, Missouri, has been selected by the Air Force as prime contractor for development and production of the F-15 advanced tactical fighter aircraft. This action was approved by Secretary of Defense Melvin R. Laird.

The new Air Force fighter is designed specifically as an air superiority weapon system.

The Air Force issued Requests for Proposals for the F-15 to eight aircraft companies in September 1968. In December 1968, three companies were selected to proceed with contract definition for the weapon system. These companies were the Fairchild Hiller Corporation, Germantown, Maryland; McDonnell Douglas Corporation, St. Louis, Missouri; and North American Rockwell Corporation, Los Angeles, California. After extensive evaluation of the proposals by the Air Force, the McDonnell Douglas Corporation has been selected as the successful bidder.

(more)

EXHIBIT A

The F-15 will be a single-place twin-engine jet fighter with superior performance over a broad range of altitudes and speeds. In order for it to achieve this superiority in air-to-air combat it will carry both missile and gun armament. Use of both types of weapons will provide the versatility needed to carry out the typical tactical missions of fighter sweep, escort and combat air patrol.

The contract being awarded will utilize cost plus incentive fee features for the engineering and design effort, and fixed-price plus incentive fee for the test aircraft, initial production effort, and subsequent production option quantities. The contract employs demonstrable technical milestones which the contractor must meet to the satisfaction of the government prior to an authorization to proceed with production.

The airframe contractor will initially proceed with only the engineering and design effort and the fabrication of 20 aircraft to be used in development testing at a target price of \$1,146,385,000. This includes spares and equipment to support the test program. The first increment to be funded for this contract is \$80,240,000.

An additional contract will be negotiated with the successful propulsion bidder in March, 1970, after completion of the current competition for the engine between General Electric and Pratt & Whitney. The initial funds required by these contracts have already been approved by Congress in the FY 70 budget. Future funding for the entire F-15 development and production effort is, of course, subject to annual

(more)



Congressional review and approval.

The "not-to-exceed" ceiling price for the subsequent production of the first wing of 107 aircraft is \$936,591,000. This amount includes maintenance training, associated training equipment, and technical data. Since the proposed F-15 engines are still under evaluation, their exact costs are not known at this time. Engine costs are therefore not included in the foregoing amount.

Secretary Seamans has designated Brigadier General Benjamin N. Bellis as the System Program Director for the F-15.

The McDonnell Douglas Corporation estimates that a total of approximately 4,000 subcontractors, located in 42 states, will be participating in the F-15 program.

The F-15, with its exceptionally high performance, will provide the best possible U. S. air superiority fighter from the time it enters the Air Force inventory until the mid-1980s.

**INTER-OFFICE MEMO**

Memo No.: ' 62

Date: 22 January 1970

TO: C. L. Windsor

CC: R. W. Barclay, N. Molinarro

FROM: C. J. O'Toole

SUBJECT: Supervisory Pool Program - Selection of Foremen and General Foremen

## Reference:

Attached is a description of the Supervisory Pool Program which we have utilized for several years in the selection of shop-type Assistant Foremen, as well as the selection process concerning the appointment of Foremen and General Foremen.



C. J. O'Toole  
Manager - Personnel Services, MCAIR

COT:rvn

**MCDONNELL DOUGLAS**  
CORPORATION

SUPERVISORY POOL PROGRAM

The Supervisory Pool Program was created more than a decade ago during a production build-up, in order to give employes opportunity to advance into supervisory positions. Historically, the program's principal use has been during similar periods of Company expansion. The program is designed for advancement into shop-type Assistant Foreman openings. Attachment (A) is a listing of the departments that have utilized the Supervisory Pool System during the past three (3) years.

The following steps apply with regard to processing in the program:

1. The first step consists of submission of an application form. An employe may be nominated for the Supervisory Pool by himself or by a member of supervision. A high school diploma or an equivalency certificate is necessary to enter the program.
2. The second step in the program consists of having a supervisory rating form completed by three levels of the employe's current supervision. If none of the employe's present supervision has supervised him at least twelve (12) months, an additional rating is requested of the employe's prior supervision.
3. The next step is the administration to the candidate of an appropriate personnel test battery.
4. Finally, a supervisory summary resume form is prepared, summarizing the candidate's qualifications for supervisory work. The information for this form is obtained by reviewing all appropriate personnel record information, such as work experience (present and past), training, awards, etc.

At times when large numbers of supervisory appointments were being made, an additional step of the procedure, a panel interview, was also performed. Traditionally, this was a three-man panel; two individuals from the Personnel Division and one member of line management.

The primary purpose of the panel interview was to inform the employe candidate regarding the responsibilities of the Assistant Foreman position and the details of the supervisory training program. This panel would not have the authority to select or reject a candidate.

Selection of candidates for supervisory appointment are made by line management, usually at the Assistant General Factory Superintendent level, after consultation with subordinate supervision.

The Supervisory Pool Program outlined on the preceding pages was reviewed with the Compliance Review team from the OFCC St. Louis Regional Office in July, 1968. In general, the Compliance Review team found the program acceptable. The team made two (2) constructive suggestions, which have since been implemented. They are:

1. Formerly, if the supervisory rating was poor, the candidate was not processed through the remaining steps of the program. At the suggestion of the review team, we have changed our procedure, and every candidate is processed through the three (3) basic steps of the program. These are:
  - a. Supervisory Rating
  - b. Testing
  - c. Selection Summary Form preparation.
2. The review team suggested that supervisory rating forms be executed by past as well as present supervisors. This suggestion has also been implemented. Attachment (B) is a set of the old Supervisory Pool Program forms. The set includes MAC Form 1897A "Selection for Candidacy in Supervisory Pool," MAC Form 1897B "Supervisory Pool Rating," and MAC Form 1897 "Supervisory Pool Summary." Attachment (C) is a set of the revised MAC Forms 1897, 1897A and 1897B which were revised effective 11 February 1969 to incorporate the suggestions made by the OFCC review team.

The Supervisory Pool Program has not been utilized for many months and it will probably not be utilized in the near future. Because of the dwindling production schedules on the F-4 program, we have in the past eighteen (18) months cut back or reduced a large number of supervisors. A significantly large percentage of this number remains on the payroll. These former supervisors have served us well in a supervisory capacity and we would again utilize these same proven individuals if production schedules required additional supervision. Only after exhausting this reservoir of experienced supervisors would we once again institute the Supervisory Pool program.

The selection of Foremen and General Foremen is carried out through a system of line management recommendations and appraisals. Periodically, supervision at the general foreman level and at the superintendent level is required to submit to the office of the General Factory Superintendent a listing of their subordinates who they feel would be most qualified for promotion to either Foreman or General Foreman. When a candidate is selected, his qualifications are considered by several levels of line management, for example; the Foreman candidate would be appraised and reviewed by the general foreman level, the superintendent level, the Assistant General Factory Superintendent level, with the ultimate decision being made by the General Factory Superintendent.

In the selection of Foremen and General Foremen, the factors considered can be subdivided into two (2) general areas; first, demonstrated performance on the job, and, second, personal qualities.

Concerning demonstrated performance on the job, line management will consider:

- a. Planning ability
- b. Cost Control
- c. Quality Control
- d. Meeting of Schedules
- e. Technical Competence

Concerning personal qualities, line management will consider:

- a. Leadership qualities
- b. Inter-personal relationships
- c. Efforts at self-improvement
- d. Length of service

*Exhibit No. 43*

Quarterly Reports on the Progress of Integration, Federal Housing Administration\*



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
FEDERAL HOUSING ADMINISTRATION

315 North Seventh Street  
St. Louis, Missouri 63101

OFFICE OF THE DIRECTOR

January 26, 1970

IN REPLY REFER TO:

Mr. Conrad P. Smith  
1405 I Street, N. W.  
Washington, D. C. 20425

Dear Mr. Smith:

At the recent hearing in St. Louis of the United States Commission on Civil Rights you requested a copy of the quarterly reports submitted by this office.

I am enclosing a copy of each of these quarterly reports beginning with August 5, 1964 through March 9, 1969, which was the last report furnished.

Very truly yours,

Michael L. Galli  
Director

Enclosure

\*Of the reports submitted, only those for 1968 and 1969 are reproduced here; the others have been retained in the Commission's files.

Mr. Philip H. Brownstein  
Assistant Secretary-Commissioner

March 1, 1968

Michael L. Galli, Director  
St. Louis, Mo.

Effects of the Executive Order on  
Equal Opportunity in Housing

This report is submitted for the quarter ending February 29, 1968.

1. Negro families are moving into previously all-white neighborhoods with regularity but there is a tendency for them to concentrate in certain areas where they are readily accepted and certain groups are fearful that this will create new ghettos.
2. During the three-month period covered by this report, we sold 37 Secretary-held properties. Six were sold to nonwhites, all in mixed neighborhoods.
3. The movement of nonwhites into these areas has not created any public reaction. Scare selling has not developed to any alarming proportions, and it is our belief that the prospects for stable integration are favorable in all of these areas.
4. We do not believe there are any conditions requiring the services of FIA Intergroup Relations personnel.
5. The register is referred to infrequently and, possibly, this is due to our mailing the information to many individuals and organizations who are interested in this information.

Michael L. Galli  
Director

cc: Mr. James F. Neville, ROC

AJG:eh



Mr. Philip M. Brownstein  
Assistant Secretary-Commissiонер

May 31, 1968

Michael L. Galli, Director  
St. Louis, Missouri

Effects of the Executive Order on  
Equal Opportunity in Housing

This report is submitted for the quarter ending May 31, 1968.

1. Negro families continue to move into previously all-white neighborhoods and subdivisions. Two recent developments are expected to help this movement spread throughout all parts of the City of St. Louis and in older areas of St. Louis County. The first is the funding of a corporation set up by the St. Louis Urban League to help Ghetto Negroes find low- and moderate-income housing in all-white city and suburban areas. The second is a program by the Greater St. Louis Committee for the Freedom of Residence which will give financial assistance to families capable of continuing the mortgage payments on new homes by a grant up to 90% of the down payment and closing costs on homes ranging in price from \$10,000 to \$15,000.
2. During the three-month period covered by this report, we sold 29 Secretary-held properties. Seven were sold to nonwhites, all in mixed neighborhoods.
3. There has been no outright reaction in the form of violence or otherwise by the movement of Negroes into these formerly all-white areas. Stable integration continues in almost all parts of the City and County of St. Louis.
4. We do not believe there are any conditions requiring the services of FIA Intergroup Relations personnel.
5. The register is used infrequently, if at all.

Michael L. Galli  
Director

cc: ~ Mr. James F. Neville

AJG:eh

Mr. Philip N. Brownstein  
Assistant Secretary-Commissioner

August 30, 1968

Michael L. Galli, Director  
St. Louis, Missouri

Effects of the Executive Order on  
Equal Opportunity in Housing

This report is submitted for the quarter ending August 30, 1968.

- (1) The movement of Negroes into formerly all-white neighborhoods continues. The recent decision of the U. S. Supreme Court is expected to accelerate this movement into all areas and the Home Builders Association and the Real Estate Board have indicated their support of the Fair Housing Law.
- (2) During the three-month period covered by this report, we have sold 43 Secretary-held properties. Ten were sold to Negroes, all of which were in mixed neighborhoods.
- (3) Negroes are being accepted without incident in every area to which they are moving.
- (4) We do not need the services of the FHA Inter-Group Relations personnel at this time.
- (5) The register is used infrequently and there will be little need if any, for this register after January 1, 1969.

Michael L. Galli  
Director

cc: Mr. Neville

AJG:eh

Mr. Philip H. Brownstein  
Assistant Secretary-Commissioner

November 29, 1968

Michael L. Galli, Director  
St. Louis, Missouri

Effects of the Executive Order on  
Equal Opportunity in Housing

This report is submitted for the quarter ending November 29, 1968.

- (1) The movement of Negroes into new subdivisions, established neighborhoods and multifamily projects continues. The Greater St. Louis Committee for Freedom of Residence has brought a number of suits to enforce integration, most of which have been settled out of court.
- (2) During the three-month period covered by this report, we have sold 38 Secretary-held properties. Four were sold to Negroes, all in mixed neighborhoods.
- (3) Negroes continue to be accepted without incident in all areas to the best of our knowledge.
- (4) We do not need the services of any Equal Housing Opportunity personnel.
- (5) During the period covered by this report, the register was not used.

Michael L. Galli  
Director

cc: A. B. Hatcher, Jr.

AJG:eh

Mr. William B. Ross  
Acting Assistant Secretary--Commissioner

March 6, 1969

Michael L. Calli, Director  
St. Louis, Missouri

Effects of the Executive Order on  
Equal Opportunity in Housing

This report is submitted for the quarter ending February 28, 1969.

- (1) Negroes are moving into new and established subdivisions and multifamily projects throughout the area. This is a continuing and on-going movement and no particular subdivisions or projects are pin-pointed.
- (2) During the period we have sold 43 properties. Seven were sold to Negroes, all in mixed neighborhoods.
- (3) Acceptance of Negroes in these areas continues without incident.
- (4) We do not feel the need for the services of Equal Housing Opportunity personnel at this time.
- (5) The register has not been used during the period covered by this report although we continue to send out additions to some 25 individuals and agencies which are on our mailing list.

Michael L. Calli  
Director

cc: A. B. Hatcher, Jr.  
Ft. Worth, Texas

AJG:eh

*Exhibit No. 44*

## Supplementary Material Submitted by the Federal Housing Administration\*



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
 FEDERAL HOUSING ADMINISTRATION  
 315 North Seventh Street  
 St. Louis, Missouri 63101

FEB 2 1970

OFFICE OF THE DIRECTOR

January 26, 1970

IN REPLY REFER TO:

OD-2

Mrs. Frankie Freeman  
 United States Commission on Civil Rights  
 Washington, D. C. 20425

Dear Mrs. Freeman:

At the hearing of the United States Commission on Civil Rights in St. Louis recently, you requested that I forward to you a list of the properties acquired by the St. Louis Insuring Office of the Federal Housing Administration during the last two years.

I am enclosing a list of these properties, giving the case number, address and the date the loan was closed.

Very truly yours,

*Michael L. Galli*  
 Michael L. Galli  
 Director

Enclosure

\*The list has been retained in the Commission's files.

*Exhibit No. 45*

Supplementary Material Submitted by the Chrysler Corporation\*

**CHRYSLER  
CORPORATION**

January 26, 1970

United States Commission on  
Civil Rights  
801 Nineteenth Street, N.W.  
Washington, D. C. 20425

Gentlemen:

During the hearings of the Commission that took place at the National Personnel Records Center in St. Louis, Missouri on January 15, 1970, Chrysler Corporation was directed to supply the Commission with a number of items of information. The Commission also gave Chrysler Corporation the opportunity to prepare a statement for inclusion in the record of the hearings describing the position of the Corporation, including the Missouri Truck Plant, with respect to some of the matters touched upon at the hearings.

Pursuant thereto we enclose herewith the following:

1. A copy of the Foreman's Test Battery presently in use at the Missouri Truck Plant, with a statement concerning weighting. In this connection, we would like to remind the Commission of its statement that a copy of the test and all of its constituent parts would not be included in the record.
2. Copies of reports of test results (called "Profile Sheets") for all Missouri Truck Plant employees who took the Assembly Foreman Test Battery in 1969.
3. A table showing the average starting salary by race and by month during 1969 of all hourly employees hired during that month in the categories of semi-skilled operatives, laborers and service workers.
4. A statement as to the total number of Missouri Truck Plant employees making application under the Tuition Refund Program and the number thereof who are Black.
5. A list of the persons and their positions in the Personnel Department of the Missouri Truck Plant who attended Phase I of the Corporate Program "Understanding and Supervising the New Industrial Employee," and a list by management title of others who have attended Phase I.

\*Items 1, 2, and 5 have been retained in the Commission's files.

United States Commission on  
Civil Rights  
Washington, D. C.

-2-

January 26, 1970

6. A statement of Chrysler Corporation for inclusion in the record of the hearings describing the position of the Corporation, including the Missouri Truck Plant, with respect to some of the matters touched upon at the hearings.

We herewith request the opportunity to see a transcript of the testimony of Messrs. Shreiber and Ballard presented at the above identified hearings in order to review it as provided in Section 702.14(c) of the Rules on Hearings of the Commission.

We herewith also request a copy of the record of the public session held in St. Louis in January, 1970 when it is available. Please advise us when it is available and the cost thereof and we will then forward our payment.

Very truly yours,

A. William Rolf  
Legal Department

AWR:nv

Encls.

## ATTACHMENT 3

HIRING RATE SURVEYJANUARY 1, 1969 THROUGH DECEMBER 31, 1969

	<u>BLACK EMPLOYEES</u>		<u>WHITE EMPLOYEES</u>	
	<u>NUMBER HIRED</u>	<u>AVERAGE HOURLY BASE RATE</u>	<u>NUMBER HIRED</u>	<u>AVERAGE HOURLY BASE RATE</u>
JANUARY, 1969	12	\$3.3600	13	\$3.3600
FEBRUARY, 1969	8	3.3037	6	3.3333
MARCH, 1969	30	3.3346	10	3.3600
APRIL, 1969	7	3.2571	1	3.3600
MAY, 1969	38	3.3194	22	3.3450
JUNE, 1969	20	3.3320	40	3.3302
JULY, 1969	4	3.2925	10	3.3160
AUGUST, 1969	8	3.3187	21	3.3009
SEPTEMBER, 1969	7	3.3271	42	3.3138
OCTOBER, 1969	8	3.3462	23	3.3530
NOVEMBER, 1969 (1st thru 23rd)	8	3.2512	12	3.2666
NOVEMBER, 1969 (24th thru 30th)	0	--	4	3.2500
DECEMBER, 1969	3	3.4600	8	3.4600
TOTAL YEAR	153	\$3.3237	212	\$3.3250

Reflected above are the average base hourly starting rates (excluding Cost-of-Living Allowance equal for all classifications) paid all Operatives (semi-skilled), Service Workers, and Laborers hired during 1969.



TUITION REFUND SURVEY

JANUARY 1, 1969 THROUGH DECEMBER 31, 1969

Number of tuition refund requests received

from minority employees - - - - - 13

Number of tuition refund requests received

from white employees - - - - - 160

## ATTACHMENT 6

WRITTEN STATEMENT OF CHRYSLER CORPORATION FOR INCLUSION IN THE RECORD OF THE HEARINGS OF THE UNITED STATES COMMISSION ON CIVIL RIGHTS CONDUCTED AT THE NATIONAL PERSONNEL RECORDS CENTER IN ST. LOUIS, MISSOURI ON JANUARY 15, 1970.

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It is and has been the policy of Chrysler Corporation to provide equal employment opportunity to all persons without discrimination on the basis of race or color in employment and all factors related thereto, including promotion, transfer and upgrading, and this policy is applicable to Chrysler's Missouri Truck Assembly Plant in Fenton, Missouri. Policy No. 5-1 of the Chrysler Corporation, which is applicable to and distributed to all of its components, provides that "It is a policy of Chrysler Corporation...to select and place people in terms of corporate job requirements and employee qualifications without regard to: race... color...." The Policy further states that "ALL MEMBERS OF MANAGEMENT are responsible for applying this Policy as a guide in all matters related to employment and placement of employees." In addition, the Policy provides that "DIVISION HEADS and PLANT MANAGERS are responsible for developing such divisional policies, procedures and programs as are necessary to ensure compliance with this Policy."

The Missouri Truck Assembly Plant was built in Fenton, Missouri in 1966. At the time the plant was being built, and when the plant was being staffed, Mr. Frank W. Stenzel, Manager of the Missouri Truck Assembly Plant, promulgated a memorandum to the plant's management reminding them that they would be interviewing and hiring employees as plant construction moved closer to completion, and that employees were to be selected and hired without

regard to race or color. The Personnel Department was specifically told that in its contact with recruitment sources, increased efforts should be made to find qualified applicants among minority groups and that this policy should be reviewed with each employee working for members of the department heads to whom the memorandum was addressed.

In order to insure that the Corporation's policy in this respect would be thoroughly understood by the plant's foremen as well as by other members of the plant's management, the Corporation conducted a foreman induction program at the Missouri Truck Assembly Plant late in 1966. The program was attended by the persons who were then foremen as well as by other members of management. The program had a 40 hour duration and included a lecture and discussion of approximately 1-1/2 hours dealing with civil rights matters led by a member of the Corporation Central Personnel Staff responsible for the Corporation's equal employment opportunity activities. Another 3-1/2 hour session of the program was devoted to leadership and dealing with people. In order to present the program to employees thereafter coming into supervision and management, the Plant Training Supervisor presented the program at the Missouri Truck Assembly Plant in February of 1968 and again in September of 1968.

Management in Chrysler Corporation is aware that many of the previously under-employed members of the work force are Black persons whose culturally deprived backgrounds make it difficult for them to remain employed. In order to make supervision and top management aware of the special needs of such employees and the best method of retraining them in the work force and

developing their potential, the Corporation prepared an eight hour program of special instruction entitled "Understanding and Supervising the New Industrial Employee." Phase I of that program, consisting of three hours of instruction intended for every production supervisor as well as for other members of management, was presented at the Missouri Truck Assembly Plant in late 1968. Phase II of that program, concluding with a ten minute recorded audio-visual message by John J. Riccardo, President of Chrysler Corporation, will be presented at the Missouri Truck Assembly Plant early in 1970. Mr. Riccardo's message is in part as follows:

"Fellow members of Chrysler Management: I'm John Riccardo. I would have preferred to talk personally with each of your conference groups, but I'm sure you understand the difficulties involved. I have chosen this short film as the next best way to emphasize the importance I attach to the program you have just completed.

"I know you all are aware that Chrysler Corporation is obligated, under various federal and local laws, not to discriminate against any minority group in any way. I believe you are also aware of our strong commitments to actively seek out minority candidates for employment. And gentlemen, this commitment starts right at the top of our Corporation. Mr. Townsend is very personally and actively involved in the activities of the National Alliance of Businessmen and the New Detroit Committee. I share his commitment and I hope that now each of you is aware of our determination to meet both our moral responsibility and our business responsibility to the demand of quality, cost, and schedule.

"The program you have attended, and its forerunner last year, were designed to help us better understand the nature of our changing work force, to identify its problems, and to reach the lasting, on-the-job solutions we must achieve....

"In the past several weeks you have had an opportunity to build upon the foundation of understanding we developed

last year. I'm impressed with the realistic approach the program Chrysler Institute has developed for use throughout the Corporation's plants. I believe we have gained in the conference room an even better understanding of the type of employee available in today's job market, what he brings to the job in the way of work experience--or inexperience--and why he thinks and acts the way he does. But this better understanding of the new employee--of how we respond to him, and him to us--will not improve our supervisory-employee relationships one bit unless and until we use it. The key to progress is the action we all take to change the ideas we have discussed into on-the-job facts. After all, gentlemen, this is where the problems must be solved. You are the management men on the firing line. We know that yours is not an easy job, and we are doing several things in addition to this program to help you. Our Pre-Employment Training Program is rapidly expanding and more and more of its graduates are reaching the plants. Employee counselors are available in many locations to help you work with the new employee and his problems. We are trying out a new concept of foremen-counselors to provide management with more help in the orientation and job instruction phase of the new employee's first few days on the job.

"But, in the long run our success or failure depends to a great extent on you and your efforts....

"Let me assure you that your top management supports this program and its objectives wholeheartedly, and we are determined to make a success of it. But our personal commitment to making these new employees productive members of our Chrysler family and of the community cannot succeed without an equal personal commitment from each of you.

"And I am confident that determination, perseverance and a sincere effort by all of us will accomplish a difficult job that must be done. As I mentioned, Mr. Townsend is committed to this program and he has directed me and the other officers to see that it is carried forward. I know we can do it and we will do it--together."

In order to facilitate the employment of culturally deprived Blacks on Chrysler's work force, the Corporation, in April of 1968, eliminated the five minute test theretofor used in selecting those persons who were to be employed from among the applicants for employment. That change was also made at the Missouri

Truck Assembly Plant. This resulted in making eligible for employment at the plant a substantial number of Black applicants for employment who would not otherwise have been eligible.

Chrysler Corporation's opportunity programs do not end with employment. Chrysler's procedures require its plants to identify Black employees with high potential and to develop their abilities so that they may hold higher positions in the Corporation. Pursuant to those procedures the Missouri Truck Plant sent a memorandum to the Personnel Department of Dodge Truck Operations in Warren, Michigan on October 13, 1969 identifying four Black Missouri Truck Plant employees with possibilities for higher positions in the Corporation.

The Missouri Truck Assembly Plant has a Training Supervisor who is charged with the responsibility for management development and training. All employees, both salaried and hourly, who desire to improve themselves and their eligibility for higher positions may discuss with the Training Supervisor what education, training and other measures are necessary for that purpose. In that connection, if an employee wishes to obtain formal education on subjects related to his job or positions into which he can be promoted, the Tuition Refund Program of the Corporation will reimburse him for the tuition costs of courses taken in obtaining such education upon their successful completion.

Hourly and salaried employees having complaints respecting their employment and related matters have a number of methods to resolve such complaints. In the first instance, any such

complaint may be resolved in discussions with the employee's direct supervisor. All lines of supervision--and especially those supervisors having direct contact with non-management employees--have been often reminded that their duties and responsibilities include resolving such complaints on a non-discriminatory basis. Discussions with general foremen, superintendents and department managers as recently as January 14, 1970, indicate that all such members of management recognized the necessity that the foremen reporting to them deal with the employees the foremen supervise on a non-discriminatory basis, and foremen are reminded of that responsibility as often as circumstances require.

Non-management employees in a collective bargaining unit have another method available to them of resolving complaints relating to their employment. That method is provided under the grievance procedure set out in the collective bargaining agreement between Chrysler Corporation and the UAW. The grievance procedure provides for a four-step processing of the grievance prior to the presentation of the grievance to an Appeal Board where the grievance may be resolved in arbitration by the Board's Impartial Chairman. The grievance procedure and its arbitration provision is applicable to discipline, complaints relating to failure to receive an equitable amount of overtime, working assignments, mistreatment by supervision and other complaints. Furthermore, the collective bargaining agreement presently in effect between Chrysler Corporation and the UAW provides in its inside front cover as follows:

"Both Chrysler and the UAW recognize their respective responsibilities as signatories and participants in the President's Committee on Equal Employment Opportunity, and their respective responsibilities under Federal and state civil rights, fair employment practices or other similar Constitutional or statutory requirements.

"In recognition of the practical and moral values of these responsibilities, the parties hereby reaffirm these commitments not to discriminate because of race, color, creed, age, sex, national origin or ancestry."

Section (4) of that Agreement provides as follows:

"Equal Application of Agreement

"The Corporation and the Union, in their respective fields, have been leaders in adopting and effectuating policies against discrimination because of race, color, creed, age, sex, or national origin. The terms and conditions of agreements between the Corporation and the Union always have applied equally to all employees, regardless of such considerations.

"In order to assure full knowledge and understanding of the foregoing principle on the part of employees and all agents and representatives of the Corporation and the Union, the parties hereby incorporate the same in this Agreement. Any employee who claims that, in violation of said principle, he has been denied rights guaranteed by this Agreement may complain as provided in the grievance procedure. Any such claim appealed to Step 3 of the grievance procedure must be supported by written evidence setting forth all the facts".

In addition to these methods of resolving complaints relating to employment at the Missouri Truck Plant, another method has evolved with respect to complaints related to race or color. The local union at the Truck Plant has designated a plant fair employment practices co-ordinator and committee. The Co-ordinator has been told by each and by both the Plant Manager and the Plant Personnel Manager that when an employee feels he has problems concerning race that cannot be resolved through the usual channels, the co-ordinator may bring such problems directly to the Plant Personnel Manager and, in his



absence, to the Plant Manager. This procedure has been used in the past to the satisfaction of the Missouri Truck Plant, and it is believed to the satisfaction of the union's fair employment practices co-ordinator and committee.

Chrysler Corporation recognizes that programs without results not only are a fruitless exercise but also frustrating to those employees and members of the Black community who pin their hopes on such programs. The Missouri Truck Plant has promoted to foreman four Black employees so that approximately six percent of all the plant's foreman are Black. The plant also has a "pool" of employees who are eligible for consideration for promotion to foreman; ten percent of the "pool" is Black. Although, to the best of Chrysler's belief, these figures of Black participation in supervision compare favorably with other large employers in the St. Louis area, Chrysler is by no means satisfied with results to date and Chrysler is making every effort to encourage additional Black employees to qualify themselves for, and apply for, promotion to supervision. When a Black employee who is willing to be promoted to supervision makes application but does not have the qualifications, he is counselled with respect to his deficiencies and the means available to him, including the Corporation's Tuition Refund Program, to qualify himself for promotion. However, the plant's efforts to promote Black employees into supervision have been frustrated to some extent in that a number of Black employees who have been asked to submit applications for or accept promotions to supervision have declined such opportunities.

Skilled trades is another important segment of the work force of the Missouri Truck Plant. Job openings in skilled trades

classifications are filled by hiring journeymen from the outside, by graduating employees participating in the Apprenticeship Program, and where these two sources cannot satisfy the plant's needs, by upgrading unskilled employees. The Apprenticeship Program was activated in 1967 and has only four participants--all of whom have been in the program since its start. Unfortunately none are Black; however, the plant intends to exert affirmative efforts to obtain Black representation as future opportunities occur. The upgrader program has been utilized considerably of late because of the dearth of available journeymen, and Black employees are participating in the program. For example, there is an "upgrader pool" from which future openings will be filled. Of 22 employees in this pool, six are Black.

Excluding skilled trades, the highest paid hourly rated jobs are reliefman, repairman and utilityman. As of January, 1970, there were 186 such jobs at the Missouri Truck Plant--39 of which were held by Black employees.

As an integral part of the St. Louis metropolitan area, the Missouri Truck Plant maintains relationships in a number of ways with the Black community. For example, hourly employees are recruited through the newspapers including those published for the Black community. Hourly employees are also recruited through the Corporation's Pre-Employment Training Program working in cooperation with the Missouri Employment Security Commission. Also, the Missouri Truck Plant has recruited hourly employees through the good offices of the NAACP, the Urban League, Work Opportunities Unlimited, religious leaders, and other employees.

The plant has recruited salaried employees by promotion of hourly employees to salaried positions. In addition to the sources mentioned in the above paragraph, salaried employees have also been recruited at high schools and colleges in the area, including those attended primarily by members of minority groups.

Finally the plant has had other contacts with the Urban League, the NAACP, and with other organizations primarily concerned with the rights of minorities.

It is obvious that the Missouri Truck Assembly Plant is and has been making substantial affirmative efforts in the area of fair employment practices including efforts to provide opportunity for Black employees and to improve the overall relationship between management and the Black employees. Nevertheless, both the Corporation and the plant recognize there is room for improvement, and substantial additional efforts are and will be taken to improve the implementation of Chrysler Corporation's equal opportunity program at the Missouri Truck Assembly Plant.

January 26, 1970

*Exhibit No. 46*

Supplementary Material Submitted by the Land Clearance for Redevelopment  
Agency of Olivette, Missouri

*Land Clearance for Redevelopment Authority  
of Olivette, Missouri*

FEB 13 1970

February 6, 1970

The Reverend Theodore M. Hesburgh, C.S.C.  
Chairman  
U.S. Commission on Civil Rights  
Washington, D.C.

Pursuant to our appearance at the hearing held on January 17, 1970  
at the National Personnel Records Center in St. Louis, Missouri,  
enclosed are the following documents:

1. One copy of the Amended Urban Renewal Plan for the  
Olivette-Elmwood Park Urban Renewal Area.
2. Statement of the Land Clearance for Redevelopment  
Authority of Olivette, Missouri.

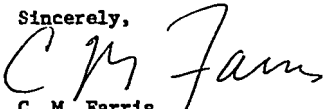
In our testimony we agreed to provide to the Commission a copy of the  
Amended Urban Renewal Plan as well as a listing of locations to which  
families and individuals moved from the urban renewal area. The  
locations are identified in the Statement mentioned above.

Commissioner Frankie Freeman indicated that a Statement could be pro-  
vided to the Commission and, accordingly, it is enclosed herein.

The Statement has been provided to this Commission without the benefit  
of reviewing the transcript of our testimony and is intended to sup-  
plement the testimony.

Please advise if you have any questions in this regard or require  
additional information so that the record is complete.

Sincerely,

  
C. M. Farris  
Project Director

STATEMENT OF  
THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY  
OF OLIVETTE, MISSOURI  
TO THE UNITED STATES COMMISSION  
ON CIVIL RIGHTS DATED JANUARY 17, 1970

We appreciate this opportunity to appear before the Commission to inform you about the Olivette Urban Renewal Program. Our Statement will cover three separate divisions in time as they pertain to the program in Olivette:

1. Before Renewal
2. Planning for Renewal
3. Carrying out Renewal

Before Renewal

The area which comprises the Olivette-Elmwood Park Urban Renewal Area was annexed in 1949 by the City of Olivette. The City recognized that it could not ignore the blighted neighborhood at its borders and it proceeded to annex the area in order to attack the substandard conditions and problems which existed. With the property being within the City, solutions to these problems could be attempted. In addition, the annexation provided the City with logical corporate limits.

Originally, the area was used as a homesite for Negro slaves and after the abolition of slavery, it remained as an area of Negro residences. Historically, it has been in continuous use as a Negro settlement for over 100 years. Unfortunately, it had its beginnings as a substandard area and continued through the years as an area of substandard living conditions. Following annexation, various efforts were made by the City through its own resources, to eliminate and rectify the blighting conditions and to provide basic community services in Olivette-Elmwood Park. These included trash and junk removal, the provision of utilities and the

elimination of health hazards. None of these endeavors was successful because a massive program was needed to have a lasting effect. The City lacked both the legal tools and economic resources for such an undertaking.

Therefore, the City of Olivette in 1960 decided to embark upon an urban renewal program as financed under the provisions of the Housing Act of 1949, as amended.

The Federally assisted program has distinct steps to reach a point where physical activities actually start. These steps and a general explanation of each follows.

1. Application for Survey and Planning Funds - Request from locality to Federal Agency (HHFA, later HUD) to receive funds to engage in detailed studies and plan preparation for redevelopment of a specific area. Documentation requires evidence that area qualifies for assistance as a result of slum and blighted conditions defined under Federal and State laws.
2. Approval of request by Federal Agency which includes a reservation of funds to carry out redevelopment when satisfactory plans and supporting documentation have been approved by the Federal Agency.
3. Preparation of detailed plans including cost estimates and relocation plan to carry out program activities. This information is submitted to the Federal Agency as - Final Project Report - Part I of Application for Loan and Grant.
4. Approval of Part I by Federal Agency and authorization to prepare Part II of Application for Loan and Grant.
5. Part II consists of local legal actions to insure the local commitment to carry out the program including the holding

of a public hearing on the Plan prepared for the Urban Renewal Area.

6. Upon the approval by the Federal Agency of Part II, the community may begin to carry out the physical activities in the area.

The national average for planning is 18 months. This means that 18 months elapse between approval of the Application for Survey and Planning Funds and the approval of Part II of the Application for Loan and Grant before any physical activities may start. Until approval of Part II, planning studies and documentation are prepared - no property is acquired, capital improvements made, land sold, families relocated or redevelopment occurs.

Missouri Statutes require communities with populations under 75,000 to hold a city-wide election approving the acceptance of the provisions of the Land Clearance for Redevelopment Authority Law. Olivette held the necessary election in November, 1960 and the proposition carried 2,931 for and 622 against. In accordance with the State Law, members of the Board of Commissioners for the Land Clearance for Redevelopment Authority (Authority) were appointed by the Mayor. The first meeting of the Board of Commissioners was held in January, 1961.

#### Planning for Renewal

In May, 1961 an application was filed with the Housing and Home Finance Agency (HHFA) (predecessor to the Department of Housing and Urban Development) to secure funds for the preparation of detailed Surveys and Plans within the area which was designated as Olivette-Elmwood Park. This

application for funds was approved by HHFA in September, 1961. However, the approval limited the expenditure of funds to those activities necessary to prepare a completed relocation record for each family in the area and an analysis of such data to determine the rehousing needs of each family and a detailed statement of how the rehousing resources would be produced

The Olivette-Elmwood Park Area was found to be a slum and blighted area qualifying for urban renewal assistance in accordance with Federal and State Law. The May, 1961 application contained, among other things, the following information:

1. Total number of structure - 36

Number with deficiencies - 36

Number of dwelling units considered substandard - 34

2. Estimated number of site occupants:

Families	Individuals	Businesses
24	4	1

3. A large open creek (Branch of River Des Peres) cuts through the area which is subject to flooding. Vacant properties are overgrown with weeds. There has been considerable dumping of trash in the area.
4. Only one portion of one street is macadam surface. The balance of meandering streets are dirt on which cinders and refuse have been dumped from time to time.
5. With few exceptions structures have been poorly constructed with makeshift building materials.
6. A study completed by the Health Department in January, 1961 revealed the following inadequacies:
  - a. Sewage disposal: 94% of the people dispose of sewage improperly so as to endanger the health of the community.



- b. Water Supply: 58% of the people in the area are using contaminated water considered unsafe by public health standards.
- c. Garbage Disposal: 95% being disposed in an unsanitary manner.
- d. Fly Problem: 93% show fly breeding areas.
- e. Rodents: 95% have areas conducive to rodent breeding and harborage.
- f. Mosquito: 93% have mosquito breeding areas.
- g. Domestic Fowl and Animals are kept in close proximity to residential buildings.

In November, 1961, information was submitted by the Authority to HHFA to satisfy the restrictions set forth in the September, 1961 approval respecting the expenditure of planning funds. In January, 1962, HHFA approved the material submitted as satisfying the restrictions and authorized the Authority to proceed with detailed planning activities.

The Authority immediately retained the services of a professional planning firm to prepare planning recommendations for the Olivette-Elmwood Park Area. These detailed plans when prepared constituted a document known as Final Project Report - Part I of Application for Loan and Grant which was submitted to HHFA in January, 1963. This document contained, in accordance with HHFA regulations, a complete analysis of the Olivette-Elmwood Park Area and recommendations for the correction of conditions prevailing in the area, including cost estimates and a method of satisfactorily relocating families, individuals and businesses to be displaced as a result of activities to be undertaken. This documentation contained among other things the following information:

- 1. Total number of buildings - 37
  - Number with deficiencies - 37
  - Number substandard warranting clearance 36

2. Estimated number of families in the area - 21  
Estimated number of individuals - 7  
Number of businesses - 1
3. An exterior inspection by an engineering consultant was made of all structures in the project area. Over 75% of all structures were inspected on the interior. Such items as floors, windows, doors, walls and foundations were examined and found to be sagging, inoperative and cracked in many cases. Also, such facilities as kitchen sinks, water heating equipment, lavatory equipment, electrical wiring and heating units were found to be inadequate or a total absence in a predominant majority of structures.
4. The Project Area is characterized throughout by economic stagnation or improper utilization of land because of defective and faulty lot sizes and layout, unimproved streets, unusable right-of-way, inadequate utilities and deterioration of private improvements. These deficiencies are of such a complex and difficult nature that the land cannot reasonably be expected to be utilized without clearance.
5. In order to create usable land for new development, permit the construction of new structures, eliminate flood problems, and to control erosion, the existing River Des Peres storm drainage channel must be realigned and rebuilt. Presently, River Des Peres meanders from East to West throughout the entire project area. Adequate provisions for its flow under Dielman Road are necessary and will require a completely new bridge structure. New inlets and short laterals are to be provided to deliver storm drainage from adjacent areas into the proposed new channel. It would be impossible and impractical to redevelop the project area unless such improvements are made.

In response to its January, 1963 submittal, the Authority was notified by HHFA in December, 1963 of its dissatisfaction with a portion of the Relocation Plan. HHFA required the Authority to develop additional documentation with respect to the rehousing of seven families of very low income. HHFA subsequently suggested the need for a local Rent Supplementation Program for these families. A Resolution was adopted by the City Council whereby the City, through its own resources, agreed to provide \$5,000.00 per year for five years to assist low income families in supplementing their incomes to obtain standard housing.

In May, 1965, HHFA approved the Part I Application for Loan and Grant subject to certain conditions required to be made before approval of Part II Application for Loan and Grant.

As a further step, before urban renewal program activities may commence, Missouri Statutes require a public hearing to be held on the proposed Urban Renewal Plan for the Area. This Plan in general identifies the boundaries of the Urban Renewal Area; identifies the type of proposed renewal actions to be used; contains land use provisions and building requirements; identifies property to be acquired; and contains provisions for changing the approved Plan. The required public hearing was held in June, 1965. The transcript of the public hearing, certain of the legal documents such as Resolutions and Ordinances and material required to be met as a condition to the Part I Application for Loan and Grant approval constituted the Part II Application for Loan and Grant documentation. This documentation was informally submitted to HUD for review in July, 1965 and based upon comments received was put in final form and submitted formally in September, 1965. Based upon HUD review of Part II, the City Council of Olivette, in November, 1965, agreed by Resolution to increase the Rent Supplementation from \$5,000 to \$7,000 per year for a 5 year period.

In December, 1965 the City Council approved the plans and procedures for the Rent Supplementation Program and submitted this information together with certain other material required by HUD in connection with the final review of the Part II Application for Loan and Grant. In January, 1966 the HUD Regional Office advised that the information submitted was satisfactory for processing.

In April, 1966 the HUD Regional Office required certain changes in the Rent Supplementation Plan. These changes were made and transmitted to the Regional Office in May, 1966. In June, 1966 the Regional Office required additional changes in the Rent Supplementation Plan. These changes were made and transmitted to the Regional Office.

#### Carrying Out Renewal

In January, 1967 the Project Expenditures Budget was approved by HUD. This was the Authority's official notification that it could commence with the actual carrying out of the urban renewal activities in the area in accordance with the Part I and Part II Application for Loan and Grant as revised and approved by HUD. This meant that after 63 months from the approval of the Survey and Planning Application, the physical activities could begin in the Olivette-Elmwood Park Area.

At the time of approval of the Project Expenditures Budget, the Authority did not have a staff to carry out the program. Because of the size of the project and the delays encountered, the Authority had been unable to retain a staff. Efforts were then made to find competent personnel to carry out the program. In July, 1967, the Authority retained the private consulting firm - Urban Programming Corporation of America - to act as its staff for carrying out the program. This Contract for Services was

approved by HUD.

In August, 1967 a meeting was held in City Hall to which all residents in the Olivette-Elmwood Park Area were invited. Approximately 30 people attended.

The schedule of activities to be undertaken in the area was identified by the Authority. The following items were explained:

1. The Authority would attempt to avoid acquiring improved property until the new single family housing was available.
2. The Authority would need to relocate temporarily only one person as a result of program activities. This individual's property was located within the section of the proposed stormwater channel where construction must start. The Authority expected to be able to undertake other program activities without displacing any other families and individuals.
3. The Authority would provide the land for the new housing at the earliest possible date. Acquisition of property would concentrate upon the area west of Dielman Road for the construction of 10 homes. and upon the proposed Stormwater Channel right-of-way.
4. Property owners were requested to contact the Authority if they wanted their property acquired immediately.
5. The Authority would begin the design of the proposed Stormwater Channel to eliminate flooding conditions

In September, 1967 a letter from the Authority was sent to the residents of the area indicating that property acquisition was to begin. The letter also indicated the responsibility of the Authority in assisting residents in relocating and moving into safe, decent and sanitary housing within their income. The letter stressed that no residents were being

asked to move from the area, but if they should move themselves the Authority should be notified before doing so. In November, 1967 property acquisition began and in December, 1967 the design of the proposed stormwater channel was begun.

The Authority was prepared to begin executing its schedule which was outlined at the resident's meeting. However, severe problems developed which upset the timetable and sequence of activities -- the necessity for condemnation proceedings for the great majority of the properties and FHA requirements.

There are a total of 130 parcels of land to be acquired in the Area. As stated, acquisition was to be concentrated in the area west of Dielman Road and in the proposed channel right-of-way. In reviewing the property ownership information in these areas, a substantial portion contained major title defects which could be resolved only through condemnation. There are 21 parcels within the area planned for the first 10 single family residences. Eighteen of these parcels have been condemned by the Authority. Within the proposed stormwater channel, there are 32 other parcels of land. Twenty-seven of these parcels have been condemned by the Authority.

In light of the time required for condemnation proceedings and the possibility of additional condemnation actions, it was necessary that the Authority deviate from its schedule and attempt to acquire other properties. To date, the Authority has condemned 91 parcels of land, negotiated for the purchase of 23 parcels and has 16 parcels remaining to be acquired.

The Authority met with representatives of the Local Insuring Office of the Federal Housing Administration in January, 1968. After touring the Urban Renewal Area, the FHA stated its requirements for correcting

the drainage problems and the compaction requirements for the 10 house sites. It became apparent that the drainage problems must be solved before the Authority could expect to market the land for the new housing. This meant that the earliest that the land could be marketed was after a successful bidder was selected to construct the proposed stormwater channel.

In August, 1969, the Authority received preliminary approval from the Metropolitan St. Louis Sewer District (MSD) on the proposed stormwater channel plans and specifications. MSD must approve local stormwater channel projects. With this approval, final plans and specifications were prepared, submitted to MSD, and approved in January, 1969. The approved plans and specifications were submitted to HUD for its review and approval to advertise for bids for construction. HUD approved conditionally in February, 1969. The condition pertained to the Authority submitting a revised Project Expenditures Budget.

The original estimate of cost for the stormwater channel submitted with the Part I-Application for Loan and Grant in January, 1963 was \$235,265.00. The Engineer's Estimate in January, 1969 for the same improvement was \$391,340.00.

The Authority submitted the revised Project Expenditures Budget and Financing Plan in April, 1969. These documents required HUD approval before the Authority could legally advertise and accept bids for construction. Based upon HUD review of the submitted documentation, contained in the Amendatory Part I and Part II Loan and Grant Application, the Authority revised the Engineer's Estimate for the stormwater channel to \$450,042.00. HUD approved the Application in September, 1969 and the Authority immediately advertised for bids for construction of the stormwater channel. These bids were opened publicly in October, 1969. The

low bid amounted to \$487,898.00.

Inasmuch as the low bid exceeded the amount contained in the Authority's Amended Project Expenditures Budget, the Authority could not award the contract. It was faced with again amending its Budget which was time consuming or attempt to obtain the increased cost from other sources. The Authority appealed to MSD for the additional funds which MSD agreed to provide.

An award was made in November, 1969 which called for completion of the stormwater channel in December, 1970. A solution to the flooding problem is now finally underway.

Because of its acquisition of improved properties at an earlier date than originally intended, the Authority adopted property management and rental policies designed to accommodate the occupants. The Authority's rental regulations are as follows:

1. When the Authority acquires owner occupied property, the owner is given a 60 day rent free period from the date of purchase and thereafter is expected to pay a monthly rental based 1/12 of 6% of the price paid by the Authority for the property. Tenant occupants of acquired property are expected to pay their present rental at the time of acquisition. Tenant occupants who are relatives of the owner and not presently paying rent are treated as if they were owner occupants.
2. In each of these situations, the Authority's tenant is expected to sign a rental agreement which in effect is on a month to month basis and contains the provisions that the Authority may not request the vacation of the dwelling without giving 90 days prior written notice unless the



tenant is in violation of the agreement and eviction proceedings are instituted by the Authority.

At the start of project execution activities, which officially began in January, 1967, there were 14 families, 11 individuals and 1 business eligible for relocation assistance payments in accordance with the Housing Act of 1949 as amended. As of December, 1969, 10 families and 7 individuals have relocated from the area and found other housing through their own efforts. Following is a listing of those families and individuals and the locations to which they moved and whether they rent or purchased the property.

<u>Name</u>	<u>Location</u>	<u>Ownership</u>
Elmer White (Family)	Wentzville, Missouri	Purchased
Wm. Howard (Family)	Pagedale, Missouri	Purchased
A. B. Porter (Family)	Wellston, Missouri	Purchased
Charles Harden (Family)	University City, Mo.	Purchased
Robert Jefferson (Family)	University City, Mo.	Purchased
George Hawkins (Family)	Elmwood Park - St. Louis County, Missouri	Purchased
Charles Carr (Family)	Olivette, Missouri	Rent
Peaches Jackson (Family)	Wellston, Missouri	Rent
*Fred Augustine (Family)	St. Louis, Missouri	Rent
Charlie Mack (Ind.)	Wellston, Missouri	Purchased
Cooper Moss (Ind.)	St. Louis, Missouri	Rent
Alton Jones (Ind.)	St. Louis, Missouri	Rent
Edward Hannah (Ind)	Wellston, Missouri	Rent
Bennie Carr (Ind.)	Olivette, Missouri	Purchased
Sherman Bowman (Ind.)	Maplewood, Missouri	Rent
Joseph Mack (Ind.)	Wellston, Missouri	Rent

\*Unit did not meet relocation requirements and family so notified and has made application for standard dwelling unit.

None of the foregoing families and individuals have been notified by the Authority to vacate their residence nor have any eviction proceedings been instituted. As a matter of fact, the Authority has been extremely lenient in its rental collection because it did not wish to deplete occupant's funds which might otherwise be needed for the new single family housing.

The above families and individuals left the area through their own choice. The financial assistances permissible under federal law have been made available to those former residents who are eligible for moving expenses, additional relocation and replacement housing payments.

The land for the 10 houses is now being offered to prospective re-developers. The deadline for proposals is March 16, 1970. At that time, the Authority will meet with area residents to discuss the proposals and thereafter the Authority will select a redeveloper. The families and individuals who have relocated will have an opportunity to secure the new housing. However, the first priority for the new houses will be given to those residents living in the area.

In conclusion, we want to emphasize certain things about the Olivette Urban Renewal Program.

1. The efforts of the City to eliminate blight in the Olivette-Elmwood Park Area in accordance with traditional powers available to municipalities under Missouri Statutes were unsuccessful.
2. The time consumed from the initiation of urban renewal in a municipality until the local Authority may, legally and financially, carry out the program is far too long. This time gap dissipates some objectives of the program i.e., the staging of property acquisition and providing project improvements. Time consuming

and costly delays in application processing and review and in concurring with local decisions merely make a difficult job much harder.

We hope that HUD's decision to institute "Proclaimer Policies" will greatly facilitate certain presently time-consuming actions involved in the renewal process. If successfully demonstrated, it is possible that this approach should be expanded to cover broader areas.

If unsuccessful, Congress should investigate ways and means of speedily getting renewal funds to the point of delivery - the community. It is historical knowledge that slums and blight spread quicker than we have been able to control them. One remedy is to get funds into communities quicker than is done today.

*Exhibit No. 47*

Amended Urban Renewal Plan  
Olivette-Elmwood Park Urban Renewal Area, No. R-35

**This document has been retained in the Commission's files.**

## Exhibit No. 48

A 6 L A A DETROIT"

*Solidarity House*8000 EAST JEFFERSON AVE  
DETROIT MICHIGAN 48214  
PHONE 926 5000

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE &amp; AGRICULTURAL IMPLEMENT WORKERS OF AMERICA-UAW

WALTER P. REUTHER..... PRESIDENT  
LEONARD WOODCOCK.....VICE-PRESIDENT  
EMIL MAZEY.....SECRETARY-TREASURER  
PAT GREATHOUSE.....VICE-PRESIDENT

February 18, 1970

Mr. Stephen Horn, Acting Chairman  
United States Commission on Civil Rights  
Washington, D. C. 20425

RE: United States Commission on Civil Rights Hearings, St. Louis,  
Missouri - January 15, 1970

Dear Mr. Horn:

This is in reply to your letter of January 16, 1970 to Mr. Donald Hill, President of UAW Local 110, Chrysler Truck Plant, Fenton, Missouri. I also make reference to my letter of January 16, 1970 to the Office of the General Counsel (see copy attached). In reply to my letter to the Office of the General Counsel dated January 16, 1970, the Acting General Counsel, Mr. Lawrence B. Glick, transmitted to me in his letter of January 26, 1970 a copy of the "Transcript of the Proceedings" of the United States Commission on Civil Rights at its evening session of hearings on Thursday, January 15, 1970 at St. Louis, Missouri.

Attorney Orthello Jones, Jr. pointed out in our telephone discussion on January 16 that a member of our Local Union 110, Mr. Eugene B. Hamilton, had testified before the Commission on Thursday evening, January 15, 1970, and had presented certain statements about which the union was unaware and to which the union had no opportunity to respond. Mr. Jones, as well as the General Counsel, advised that under the rules of hearings of the Commission dealing with unanticipated testimony, that the union would have an opportunity to respond to the allegations made by Mr. Eugene B. Hamilton during these hearings.

You will please find enclosed a copy of the statement setting forth the response of Local 110, affiliated with the International Union - United

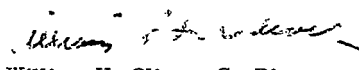
Mr. Stephen Horn  
February 18, 1970

page 2

Automobile, Aerospace, Agricultural Implement Workers of America.

Kindest regards.

Sincerely,



William H. Oliver, Co-Director  
Fair Practices and Anti-Discrimination  
Department - UAW

WHO/flo  
opeiu42  
encls.

CC: Walter P. Reuther  
Emil Mazey  
Doug Fraser  
Ken Worley  
Julius Frazier  
Stephen Schlossberg  
Donald Hill  
Irv Bluestone  
John Lopez  
Eugene B. Hamilton

CABLE: "UAW DETROIT"

*Solidarity House*8000 EAST JEFFERSON AVE.  
DETROIT, MICHIGAN 48214  
PHONE 926-5000

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE &amp; AGRICULTURAL IMPLEMENT WORKERS OF AMERICA-UAW

WALTER P. BEUTNER.....PRESIDENT  
LEONARD WOODCOCK.....VICE-PRESIDENTEMIL MAZEY.....SECRETARY-TREASURER  
PAT GREATHOUSE.....VICE-PRESIDENT

January 16, 1970

The United States Commission on Civil Rights  
Office of the General Counsel  
1405 "I" Street, Northwest  
Washington, D. C.

Re: Chrysler Corporation - Missouri Truck Assembly Plant -  
Fenton, Missouri

and

Local 110, UAW - 300 Meramec Road, Valley Park, Missouri

Dear Mr. General Counsel:

Today, we received a telephone call from Mr. Don Hill, President of the above captioned Local Union, Valley Park, Missouri, as well as a telephone call from Mr. Julius Frazer, Assistant Director for UAW Region 5, the Region which has general supervision for the UAW in connection with our UAW Local 110 at Valley Park, Missouri.

We were advised by Messrs. Don Hill and Julius Frazer that the United States Commission on Civil Rights conducted Hearings in St. Louis, Missouri, embracing the areas of "Equal Opportunity in Employment and Housing in the Suburbs". In connection with these Hearings, we are advised that the United States Commission on Civil Rights sitting in St. Louis requested our UAW Local 110 to respond to certain allegations made by the black members of the captioned Local Union at the Commission's Hearings on January 15, 1970, in St. Louis, Missouri.

In connection with this matter, this is to advise that today, January 16, 1970, is the first occasion on which we had any information that such hearings would be conducted by the United States Commission on Civil Rights in St. Louis, Missouri, in connection with the two areas set forth herein above.

January 16, 1970

We were advised by the President of our UAW Local 110, that the Commission transmitted to him today (January 16, 1970) a letter requesting that we appear before the Commission at the National Personnel Record Center in St. Louis, Missouri on Saturday, January 17, 1970 at 2:30 p.m., prepared to respond to the allegations presented to the Commission by the black workers of our UAW Local 110.

In learning of the letter transmitted to Mr. Don Hill, on January 16, 1970, I called Mr. Orthello Jones, Esquire (Attorney for the Commission), in an effort to determine the nature of the allegations made by the black employees of UAW Local 110 to the Commission. Mr. Jones advised, "Pursuant to Sec. 702.11 of the Commission Rules, regarding unanticipated testimony, the Commission is prepared to offer you an opportunity to appear at an Executive Session for the purpose of responding to the black workers charges". Since we were not present when the black workers testified before the Commission on January 15, 1970, and since these black workers have not presented any such charges to the Local Union or to the International Union, we are requesting the Commission to submit to us the Testimony given by the black employees, so that we might respond to same. Upon receipt of that Testimony, we will, in keeping with Sec. 702.11, transmit to the Commission our response to the charges.

Your cooperation to this matter is deeply appreciated.

Kindest regards.

Sincerely,

William H. Oliver, Co-Director  
Fair Practices and Anti-Discrimination  
Department, UAW

WHO/jk  
opeiu42

ccs: Walter P. Reuther  
Emil Mazey  
Ken Worley  
Doug Fraser  
Julius Frazer  
Mr. Orthello Jones, Jr., Esquire  
Mr. Don Hill  
Stephen Schlossberg  
Irving Bluestone



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STATEMENT

o f

LOCAL 110, UNITED AUTOMOBILE, AEROSPACE, AGRICULTURAL  
IMPLEMENT WORKERS OF AMERICA (UAW)

in response to

CERTAIN ALLEGATIONS MADE WITH REGARD TO LOCAL 110, UAW BY  
MR. EUGENE B. HAMILTON, MEMBER OF LOCAL 110, UAW

at the

UNITED STATES COMMISSION ON CIVIL RIGHTS HEARINGS

at

ST. LOUIS, MISSOURI

THURSDAY EVENING, JANUARY 15, 1970

February 18, 1970

## Statement to U.S. Commission on Civil Rights

This statement is submitted by the International Union of the United Automobile, Aerospace, Agricultural Implement Workers of America, on behalf of Local Union 110, Valley Park, Missouri, in conformism with the Commission's Rules and Regulations regarding unanticipated testimony.

The United States Commission on Civil Rights conducted a series of hearings in St. Louis, Missouri, covering certain aspects of employment and housing opportunities for black Americans. During these hearings, a member of our UAW Local 110, Mr. Eugene B. Hamilton, appeared before the Commission on Thursday evening, January 15, 1970 and asserted the following:

(Excerpts from an unedited, uncorrected copy of the transcript of the Hearing of the U.S. Commission on Civil Rights held in St. Louis, Missouri, January 15, 1970.)

"IN RESPONSE TO A QUESTION CONCERNING THE ROLE OF THE UNION AT THE CHRYSLER TRUCK PLANT, FENTON, MISSOURI, MR. HAMILTON RESPONDED:

"Right, they are. The white workers—and I must add, the white hourly worker is usually put up on a temporary basis as relief man, maybe temporary repair, something of this nature, where management can actually go five days before the union can do anything about it, and after being notified that the union notifies them that they know about this temporary condition existing; then they have five days before the grievance is submitted, if the grievance is submitted, and on most part the grievances aren't submitted because the union is actually taking part and are in conspiracy with management. . . .

"I would like to say something. I don't know if there is much to be said. I would still like to interject this thought in the way of unionism out there at Chrysler, and that is a fact that there is a conspiracy, union and management. It is very apparent when you look at the foremen. You see, we have four or three union officials that are part of management now in a foreman capacity, or two of them were presidents of that local. So you can see there is definitely a collusion and a conspiracy. And the white workers are only fortunate that they are white. And if they turn black then they are going to be victims of the same thing that we are."

At the outset we would like to recite for the information of the Commission some background information covering our Union's constitutional guarantees with respect to equal treatment of our UAW members, and more especially Negro members, of UAW Local Unions affiliated with the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America.

Since its inception, the United Auto Workers Union has provided in its Constitution equal access to all workers in plants with which our Union holds collective bargaining agreements. Equality of opportunity to participate in all of the affairs of UAW Local Unions and the International Union has always been readily open to all members of our Union, regardless of race, color or national origin.

The basic constitutional safeguards which protect the rights and privileges of all UAW members are more explicitly set forth in the International Union's Constitution, Article 2, Section 2, which states:

"To unite in one organization, regardless of religion, race, creed, color, political affiliation or nationality, all employes, under the jurisdiction of the International Union."

In addition to these basic constitutional guarantees, the International Union's Constitution recites under Article 25, the following:

"Section 1. There is hereby created a department to be known as the Fair Practices and Anti-Discrimination Department of the International Union.

"Section 2. The International President shall appoint a committee composed of International Executive Board members to handle the functions of this department. He shall also appoint a director who shall be a member of the Union and approved by the International Executive Board. He shall also appoint a staff which shall be qualified by previous experience and training in the field of inter-racial, inter-faith and inter-cultural relations.

"Section 3. One cent (.01) per month per dues-paying member of the per capita forwarded to the International Union by Local Unions shall

be used as the Fair Practices and Anti-Discrimination Fund of the International Union as provided in this Constitution.

"Section 4. The department shall be charged with the duty of implementing the policies of the International Union dealing with discrimination, as these policies are set forth in the International Constitution and as they may be evidenced by action of the International Executive Board and of International Conventions, and to give all possible assistance and guidance to Local Unions in the furtherance of their duties as set forth in this Article, and to carry out such further duties as may be assigned to it from time to time by the International President or the International Executive Board.

"Section 5. It shall be mandatory that each Local Union set up a Fair Practices and Anti-Discrimination Committee. The specific duties of this Committee shall be to promote fair employment practices and endeavor to eliminate discrimination affecting the welfare of the individual members of the Local Union, the International Union, the labor movement and the nation."

#### UAW RESPONSE TO MR. HAMILTON'S ALLEGATIONS:

Pursuant to the allegations made by Mr. Eugene B. Hamilton as cited herein above, neither the International Union nor its UAW Local Union 110 were apprised of the matters presented by Mr. Hamilton in his testimony before the Commission on Thursday evening, January 15, 1970.

Mr. Hamilton is a member of Local Union 110 and has not only enjoyed all the benefits of membership rights of his Local Union, but he has participated in the mainstream of the Local Union's activities and was elected Chairman of the Local Union Bargaining Committee by the employes of the Chrysler Truck Plant, members of Local Union 110. In this position, Mr. Hamilton was well situated to observe any and all practices of the relationship between the Local Union of the UAW and the Chrysler Corporation's local management.

Mr. Hamilton, as Chairman of the Bargaining Committee, had the direct responsibility of handling, overseeing and processing grievances, complaints and other matters of all the workers in the Chrysler Truck Plant

at Fenton, Missouri. Unquestionably, he is conversant with all aspects of the National Chrysler-UAW Agreement as well as those of Local Agreements.

The President of UAW Local Union 110, Mr. Don Hill, has made the following statement in response to the testimony given by Mr. Hamilton at the Hearings:

"In regards to the testimony of Mr. Hamilton, as President of this Local Union, I know of no white employees being upgraded on a temporary basis as relief man or temporary repair over a black employee. To my knowledge, all upgrades in this plant are done strictly by seniority as called out in the Production & Maintenance Agreement. If there are any instances of this nature that have taken place or are taking place in this plant, it has not been called to my attention and I have no knowledge of them.

"As for past union officials who are part of management now in a foreman capacity, there are three of them. Two of which were Presidents of this Local and one was a Chief Steward. I have no control over the past officials of this local and no control over who management chooses for foreman positions.

"Mr. Hamilton was Chairman of the Bargaining Committee of this Local during the time that the three union officials went on supervision. To my knowledge, Mr. Hamilton, as Chairman of the Bargaining Committee, set in on most of the meetings between management and the union and if there was a conspiracy I'm sure he would have spoken up before now. Mr. Hamilton ran in an election for Financial Secretary of the Local Union in May of 1969 and was beaten. He then ran for Chief Steward in his district and was beaten again. If there was a conspiracy it was his duty to speak up before the people voted him out of office.

"As for the present union officials, including myself, who have been in office since June - 1969 I can turthfully say there is no conspiracy between the union and management against the black employees of the Chrysler Missouri Truck Assembly Plant."

We conclude with the further statement that the UAW has always been aware and sensitive to the needs, hopes and aspirations of Negro workers not only in this plant but in the numerous plants which we are privileged to represent across the nation. Our International Union's Fair Practices and Anti-Discrimination Department staff of six International Representatives, augmented by

eighteen additional Regional Representatives are available to resolve alleged problems and practices of discrimination which may exist at the Local Union level. In addition, annual seminars, summer institutes and civil rights conferences are held in the Region in which Mr. Hamilton is situated.

As an expression of our continuing responsibility with regard to our commitment to resolve any and all such problems of alleged practices of discrimination, we have scheduled a meeting with Mr. Hamilton to obtain first-hand information with regard to any problems which may exist.

We commend the Commission for its hearings and the opportunity provided to us to respond to these allegations.

One final note of interest: Our Regional Office in St. Louis, in cooperation with the International Union's Fair Practices and Anti-Discrimination Department, conducted a survey on housing some three years ago which was the subject of the Commission's Hearings in January 1970. Since that survey, efforts have been under way by the Region staff to bring about an improvement in housing opportunities for black workers, and white workers as well, not only in the suburbs but also within the metropolitan St. Louis area.

We believe that the above commentary and the statement of Donald Hill, President of UAW Local Union 110, do not sustain the allegations made by Mr. Hamilton.

Charles W. Swartout  
Vice President  
General Manager, Personnel Division

February 12, 1970

The Reverend Theodore M. Hesburgh, C.S.C.  
Chairman  
United States Commission on Civil Rights  
Washington, D.C. 20425

Dear Mr. Hesburgh:

Judging from newspaper accounts, following my testimony at the United States Commission on Civil Rights hearings, in St. Louis, January 15, there apparently was some confusion about planned location of Mallinckrodt's facilities and people in the immediate future.

So that no confusion exists, I would like to insert in the record the following statement which Mallinckrodt released to the newspapers on January 16.

"The statement that Mallinckrodt was moving its plant from the city to the county, which appeared in this morning's issue of the Globe and attributed to Mr. Charles W. Swartout, is inaccurate.

"Mallinckrodt is not moving its plant from 3600 North Second Street to the county. Rather, the facts are:

1. To satisfy the need for additional office space, a building was constructed in St. Louis County for approximately 80 people in the Company's Marketing Department.
2. Mallinckrodt's principal manufacturing plant is located in St. Louis

The Reverend Theodore M. Hesburgh, C.S.C.  
February 12, 1970  
Page 2

and the plan is that it will remain here.

3. More than 1700 people are employed at the Company's plant in St. Louis, which is an increase of approximately 500 jobs at this location since 1964.
4. The plant covers about seven city blocks, represents an investment of almost \$14,000,000 in new facilities."

As is evidenced from this statement, there is no intent of moving any of Mallinckrodt's manufacturing facilities from the City of St. Louis to St. Louis County. Not only will our manufacturing operations remain in the City of St. Louis, but so will plant-associated staff functions such as engineering, maintenance, process development, labor relations, safety, and cost accounting activities.

Sincerely,

*Charles W. Swaitout*

CWS:jk



## Exhibit No. 50



*Sales · Financing · Investment · Management · Insurance*

2202 BRENTWOOD BOULEVARD • BRENTWOOD MISSOURI 63144 • 314-961-5062

February 25, 1970

Mr. George C. Bradley  
 Assistant General Counsel  
 United States Commission on Civil Rights  
 Washington, D.C. 20425

Dear Mr. Bradley:

In answer to your correspondence as dated February 11th, the following information will apply relative to the membership of the Real Estate Board of Metropolitan St. Louis.

The total number of broker members at present is 841, with associates totaling 2,877. There are other membership categories which total 442.

It is impossible to give you a breakdown as to the number of associates who are negro, inasmuch as our application makes no question of race, color or creed. It is quite possible that there are negro salesmen working for white brokers and white salesmen working for colored brokers.

The total number of negro broker members at the present time is 4. Presently the number of associate members with these offices totals 33. Again, there is no way to know whether the total number is negro or whether or not there may be some integration in the makeup of the various sales forces of these companies.

At the present time there are a number of applications pending, but there is no way to determine an exact date as to when these applicants may be admitted to the Board. Accordingly, applications have been sent to various individuals who have made inquiry for membership in the Board, but there is no way to know when or if these individuals will follow through with

Mr. George C. Bradley  
U.S. Commission on Civil Rights  
Washington, D.C. 20425

February 25, 1970

Page Two

their intention to make application.

I am sorry that this information was not forthcoming by the date that you specified in your correspondence. I was out of town during the time your letter was received in my office and accordingly, was unable to provide the information you requested until this date.

Should you desire further information, it would be appreciated if you would contact Mr. Walter J. Stradal, Jr., Executive Secretary of the Real Estate Board of Metropolitan St. Louis, who will be happy to lend his assistance.

Very truly yours,

JEROME L. HOWE, INC.



Jerome L. Howe, Jr.

bmcg

cc: Mr. Walter J. Stradal, Jr.  
Executive Secretary  
Real Estate Board of Metropolitan St. Louis  
717 Chestnut Street  
St. Louis, Missouri 63101

*Exhibit No. 51*

STATE OF MISSOURI

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

## DIVISION OF EMPLOYMENT SECURITY

505 Washington Ave.  
St. Louis, Mo. 63101  
March 3, 1970

WARREN E. HEARNES  
GOVERNORHERMAN JULIEN  
DIRECTOR

Mr. George C. Bradley  
Assistant General Counsel  
U.S. Commission on Civil Rights  
Washington, D.C. 20425

Dear Mr. Bradley:

Mr. Charles DeLargy has asked me to reply to your letter to him, dated February 12, 1970, in which you requested information on the role of MSES in the employment market.

This Division does not operate a professional placement separate from the established local offices in the St. Louis Area. These are as follows:

St. Louis Downtown Office  
505 Washington Ave., St. Louis 63101

Work Incentive Program Office  
711 North Euclid, St. Louis 63108

Concentrated Employment Program  
3617 Olive St., St. Louis 63108

Crestwood Office  
23 Crestwood Plaza, Crestwood, Mo. 63126

Jennings Office  
7035 West Florissant, Floridell Hills, Mo. 63136

Kinloch Sub-Office  
5737 Carson Road, Kinloch, Mo. 63140

St. Ann Office  
10472 St. Charles Rock Road, St. Ann, Mo. 63074

Clayton Sub-Office  
200 North Meramec, Clayton, Mo. 63105

Mr. George C. Bradley  
March 3, 1970  
Page #2

In addition, there are ten outstations operated in St. Louis City and two in St. Louis County, with from one to three staff in each.

The most recent unemployment rate available for the St. Louis Metropolitan Area is the figure for January, 1970, 4.9% of the labor force. This is the largest percentage observed since early 1963. The corresponding figure for December, 1969 was 3.5%; this figure also represented the average unemployment figure for calendar 1969. Unemployment rates for areas served by the several individual offices within the metropolitan area are not available.

Attached is a tabulation giving the number of staff in each office, by classification and race.

Do not hesitate to call us if you need additional information.

Yours very truly,

DIVISION OF EMPLOYMENT SECURITY



William V. Fogler  
Acting Area Manager

WVF:ech  
Attachment

## Local Office Supervision

## Area Office Supervision

## St. Louis County Offices

Job Title	Local Office				GCP				CSP-CRC				Area				MAJOR				JOBS-NAB				Crest-wood		St. Ann		Jennings		Total
	W		NW		W		NW		W		NW		W		NW		W		NW		W		NW		W		NW				
	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW			
E.S. Manager IV	1																												1		
E.S. Manager III	1																				1				1				1		
E.S. Supervisor IV	3		1																										5		
E.S. Supervisor III	1	1			1			1					1																5		
E.S. Supervisor II	7		2					2					1	*1							1			1		1			15		
E.S. Supervisor I	18		5					1	3																	1			32		
Claims Supervisor IV	1																												1		
Claims Supervisor II	3																				1			1					5		
Claims Supervisor I	5	1																			1			1					7		
E.S. Technician	53	5	7	3	9	3	3	4					12	2							5		9	2	3				125		
Claims Technician	16	6																			3	1		3		2			33		
E.S. Deputy II	19	9																			3			6		3			45		
Outreach Worker	2			5		3		15						5													2		32		
Empl. Serv. Repres.	9							1	3														1		3		1		33		
Empl. Coun. Supv.	1																									1			2		
Councilor	17	2	8	1				5	9												4			3		2	1		52		
Executive I	1																												1		
Occup. Analyst II	1																								1				2		

\* Oriental

## Local Office Supervision

## Area Office Supervision

## St. Louis County Offices

Job Title	Local Office		WEX		CMP		CSP-CRC		Area		MAJOR		JOBS-NAB		Crest-wood		St. Ann		Jennings		Total
	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	
	Clerk-Stenographer III	2								1				1							
Clerk-Stenographer II	13			1			1		2		1				2		2		2		21
Clerk-Stenographer I	1		2	6																	9
Clerk-Typist II	4	3		2				6	1												19
Clerk-Typist I	2	1													1						1
Clerk III						1				1											2
Clerk II	4	10	1																		15
Clerk I	2	1																			3
Switchboard Operator II	1																				1
Switchboard Operator I	1	2																			3
Storekeeper I	1																				1
Security Officer I	1																				1
Maintenance Man II	1																				1
Maintenance Man I		1																			1
Custodial Worker II		1																			1
Automotive Driver		1																			1
Training Technician	1																				1
Comm. & Empl. Rel. Supv	1																				1

Job Title	Local Office Supervision								Area Office Supervision						St. Louis County Offices						TOTAL
	Local Office		MIN		CRP		CSP-CRC		Area		Job Bank		JOBS-NAB		Crestwood		St. Ann		Jennings		
	W	NL	W	NW	W	NL	W	NL	W	NW	W	NW	W	NW	W	NW	W	NW	W	NW	
Asst. Inform. Supv.									1												1
Minority Group Repres.										1											1
Research Analyst II									1												1
TOTALS	192	46	26	18	10	7	14	45	6	2	17	8	7	0	23	1	33	3	25	3	284

## Exhibit No. 52

## Supplementary material submitted by the Mallinckrodt Chemical Works

MALLINCKRODT CHEMICAL WORKS · SECOND &amp; MALLINCKRODT STREETS · ST. LOUIS, MISSOURI 63160 · PHONE: 314-231-8980

Charles W. Swartout  
Vice President  
General Manager, Personnel Division

March 11, 1970

Mr. George C. Bradley  
Assistant General Counsel  
United States Commission on  
Civil Rights  
Washington, D.C. 20425

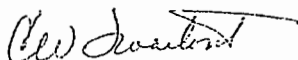
Dear Mr. Bradley:

As you note in your letter of February 12, 1970, certain information was requested to supplement the testimony I gave before the Civil Rights Commission at their hearing on January 15. Since the information on the employees, relating to residency and place of work was not computerized, it required we go thru the entire personnel records. We do regret the delay in getting the information to you but it did turn out to be quite a task.

I am enclosing the information on the real estate companies we normally use to assist our employees in getting located in the community. We are also enclosing two charts, one showing the breakdown of residency of both black and white employees employed in the city, and the second showing the same breakdown of information for those employed in the county. Finally, enclosed is information on the number of people hired in the St. Louis Metropolitan Area by Mallinckrodt, broken down as to black and white and by job classification.

If any additional information is required, please do not hesitate to contact me.

Sincerely,



CWS:s  
Encl.



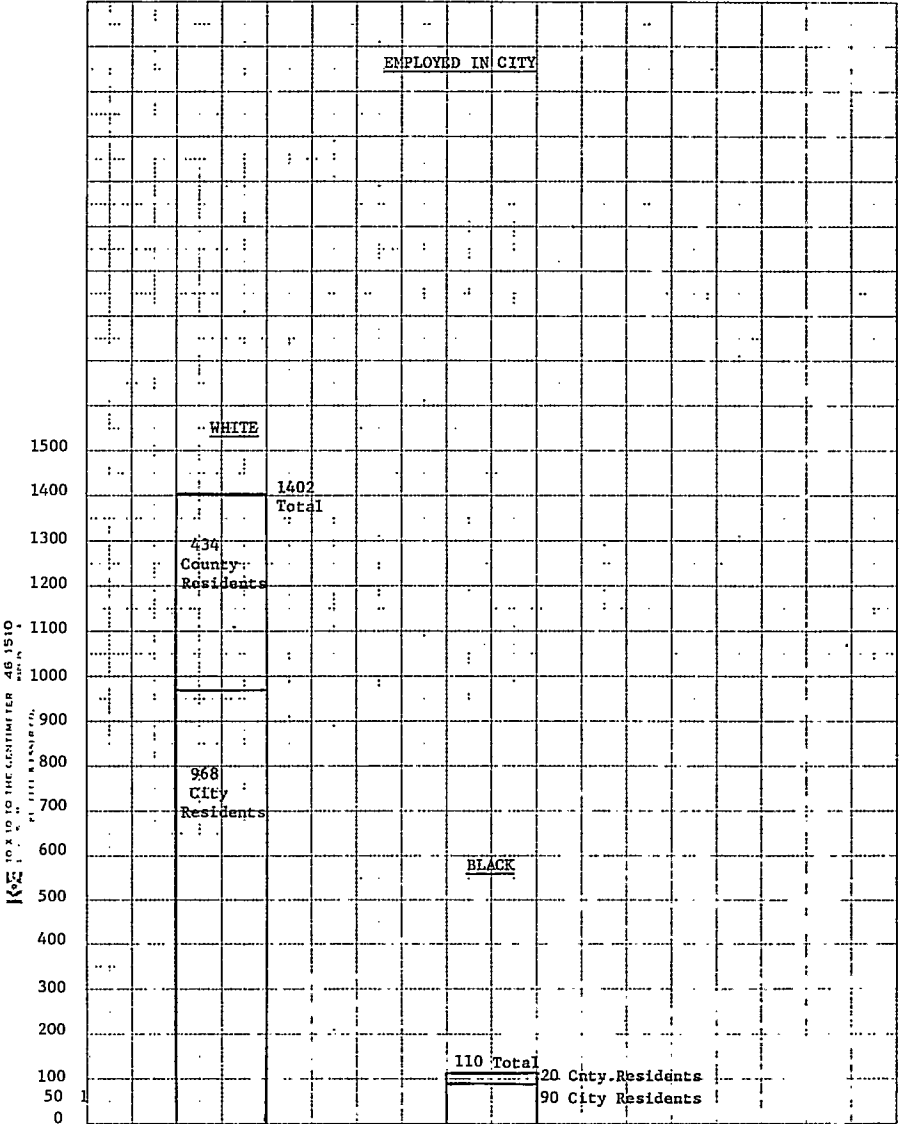
MALLINCKRODT CHEMICAL WORKS  
ST. LOUIS.

REAL ESTATE COMPANIES UTILIZED

AXLINE & PAYNE INC.  
10135 Manchester Road

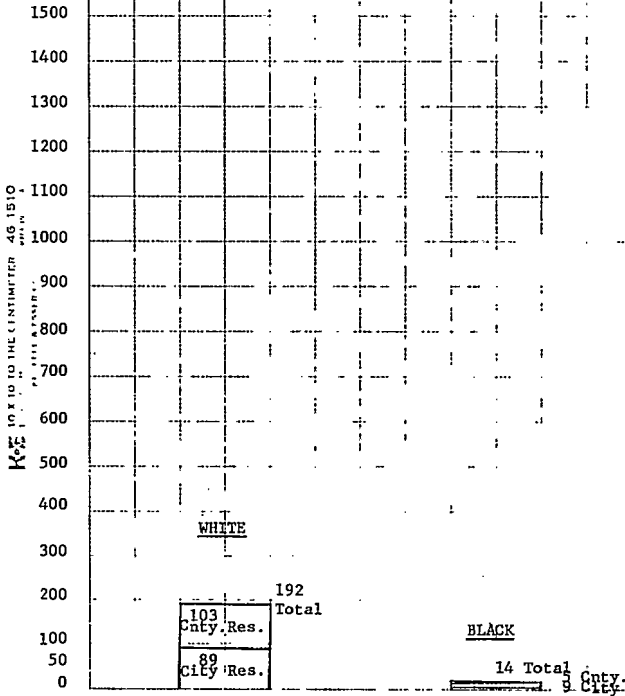
DOLAN CO. REALTORS  
6401 Manchester Road

MALLINCKRODT CHEMICAL WORKS  
St. Louis, Missouri



MALLINCKRODT CHEMICAL WORKS  
St. Louis, Missouri

EMPLOYED IN COUNTY



MALLINCKRODT CHEMICAL WORKS  
ST. LOUIS.

PERSONNEL HIRED -- Year 1969  
Metropolitan St. Louis Area

<u>Salaried positions</u>	<u>White</u>	<u>Negro</u>	<u>Total</u>
Officials and Managers	9	0	9
Professionals	40	2	42
Technicians	20	0	20
Sales	8	0	8
Office & Clerical	<u>113</u>	<u>3</u>	<u>116</u>
Total	190	5	195

<u>Wage positions</u>	<u>White</u>	<u>Negro</u>	<u>Total</u>
Craftsmen (skilled)	1	0	1
Operators (semi-skilled)	56	47*	103
Laborers	0	1	1
Service	<u>5</u>	<u>2</u>	<u>7</u>
Total	62	50	112

\* includes one oriental

## Exhibit No. 53.

## Supplementary Material Submitted by the Federal Housing Administration\*



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
FEDERAL HOUSING ADMINISTRATION

315 North Seventh Street  
St. Louis, Missouri 63101

OFFICE OF THE DIRECTOR

March 11, 1970

IN REPLY REFER TO:

Mr. George C. Bradley  
Assistant General Counsel  
United States Commission on Civil Rights  
Washington, D. C. 20425

Dear Mr. Bradley:

In my letter of February 19 I advised you that I would reply to your request of February 11 as quickly as I could receive the requested figures from our Central Office.

I am enclosing the data furnished by our FHA Division of Research and Statistics, with the following comments:

"Table 1 lists both home and multifamily insurance written by the St. Louis office, annually, for the period 1934-1969.

"No data are available that can enable us to determine directly what share of total housing is covered by FHA insured loans. Nevertheless, a comparison of the combined total of both home cases and multifamily units from Table 1 with Census data on new housing units authorized in the permit issuing SMSA labeled St. Louis, Mo.-Ill. (excluding the Illinois side of the river) might be a useful indicator. Likely, many homes insured during the 1950-59 period were built prior to 1950. Too, some dwellings probably have been insured more than once by FHA during this same period. Please consider these factors and treat the data, Table 2, accordingly. Table 2 information is available beginning with 1950."

With reference to the second part of your letter in which you ask what percentage of his time does my Deputy Director spend on equal opportunity, while no exact records are maintained, both my Deputy Director and I probably spend 25 percent of our time in matters relating to equal opportunity. We interpret this to mean all administrative and supervisory duties performed in connection with our programs from origination through processing, and servicing to management.

Very truly yours,

*Michael L. Gallie*  
Michael L. Gallie  
Director

Enclosures

\*Tables 1 and 2 have been retained in the Commission's files.

## University City Ordinances

BILL NO. 6314ORDINANCE NO. 4232

AN ORDINANCE AMENDING CHAPTER 34, THE ZONING CODE OF THE CITY OF UNIVERSITY CITY AS RECODIFIED BY ORDINANCE NO. 4206, ADOPTED MARCH 21, 1966, BY REPEALING THE DEFINITION OF A FAMILY IN SECTION 34-4, AND ENACTING IN LIEU THEREOF A NEW DEFINITION TO BE KNOWN AS "FAMILY" AND CONTAINING A SAVING CLAUSE.

WHEREAS, Chapter 34 of the Municipal Code of the City of University City, the University City Zoning Code, divides the City into several districts and regulates the uses to which the premises located therein may be put; and

WHEREAS, Section 34-4 thereof provides for certain definitions; and

WHEREAS, the City Plan Commission, after a hearing, reviewed the definition of "family" and recommended a change in said definition; and

WHEREAS, due notice of a public hearing to be held by the City Council in the Council Chamber at the City Hall, at 8:00 o'clock P.M. on the first day of August, 1966, was duly published in the St. Louis Countian, a newspaper of general circulation within said City, upon the 15th day of July, 1966; and

WHEREAS, said public hearing was duly held at the time and place specified in said notice and all exceptions or objections concerning said change in the definition of a family were duly heard and considered by the Council;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF UNIVERSITY CITY, MISSOURI, AS FOLLOWS:

Section 1. Chapter 34 of the Municipal Code of the City of University City, Missouri, as comprehensively amended April 6, 1959, and as recodified by Ordinance No. 4206, adopted March 21, 1966, is hereby amended by repealing the definition "Family" in Section 34-4 thereof, and enacting in lieu thereof a new definition to be known as "Family" so that said new definition, as so amended, shall read as follows:

Family - An individual or married couple and the children thereof and no more than two other persons related directly to the individual or married couple by blood or marriage, or a group of not more than three persons (excluding servants) not related by blood or marriage, living together as a single housekeeping unit in a dwelling unit.

Section 2. Except for the change of definition of "Family" herein made, said Chapter 34, the University City Zoning Code, as amended, shall remain in full force and effect and all the provisions, conditions, restrictions and regulations therein shall be in full force and effect.

Section 3. This ordinance shall not be construed so as to relieve any person, firm or corporation from any penalty heretofore incurred by the violation of any portion of the Zoning Code involving the definition of "Family" nor shall this ordinance bar the prosecution of any such violation.

Section 4. This ordinance shall take effect and be in force from and after its passage, as provided by law.

PASSED this 30<sup>th</sup> day of August, 1966.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

PREPARED BY:

\_\_\_\_\_  
CITY COUNSELOR

INTRODUCED BY COUNCILMAN GRIMM

4309

BILL NO. 6388 (As Amended)

ORDINANCE NO.

AN ORDINANCE AMENDING CHAPTER 17 OF THE MUNICIPAL CODE OF THE CITY OF UNIVERSITY CITY RELATING TO HOUSING AND ENACTING THEREIN A NEW SECTION TO BE KNOWN AS "SECTION 17-21.3 OCCUPANCY PERMIT REQUIRED" SO AS TO PROVIDE FOR THE REQUIRING OF AN OCCUPANCY PERMIT AND CONTAINING A PENALTY.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF UNIVERSITY CITY, MISSOURI, AS FOLLOWS:

Section 1. Chapter 17 of the Municipal Code of the City of University City relating to housing is hereby amended by enacting therein a new section to be known as "Section 17-21.3 Occupancy Permit Required" so as to require issuance of an occupancy permit, that said section as so enacted, shall read as follows:

Section 17-21.3 Occupancy Permit Required:

It shall be unlawful for any person, firm, or corporation to hereafter occupy any building, or addition thereto, for any purpose until a certificate of occupancy has been issued by the Building Commissioner. The certificate of occupancy so issued shall state that the occupancy complies with all the provisions of this chapter. This section shall not apply to any occupancy in existence at the time of the adoption of this ordinance.

It shall be unlawful for any person to knowingly make any false statement in his application for an occupancy permit as to the names, ages, relationship, or number of occupants who will occupy the premises.

Section 2. Any person, firm or corporation violating any of the provisions of this ordinance shall, upon conviction thereof be subject to the penalty provided in Chapter 1, section 8 of the Municipal Code of the City of University City.

Section 3. This ordinance shall take effect and be in force from and after its passage as provided by law.

PASSED this 5th day of June, 1967.

[Signature]
MAYOR

ATTEST:

[Signature]
CITY CLERK

PREPARED BY:

[Signature]
CITY COUNSELOR



Introduced by Councilman Lieberman

BILL NO. 6456 (as amended)

ORDINANCE NO. 4364

AN ORDINANCE AMENDING CHAPTER 17 OF THE MUNICIPAL CODE OF THE CITY OF UNIVERSITY CITY, RELATING TO HOUSING IS HEREBY AMENDED BY REPEALING SECTION 17-7 THEREOF, AS AMENDED BY ORDINANCE NO. 4288, ENACTED MARCH 20, 1967, RELATING TO SPACE REQUIREMENTS AND ENACTING IN LIEU THEREOF A NEW SECTION TO BE KNOWN AS "SECTION 17-7. SPACE REQUIREMENTS GENERALLY; CEILING HEIGHTS; SLEEPING ROOMS"; CONTAINING A SAVING CLAUSE AND PROVIDING A PENALTY.

BE IT ORDAINED, BY THE COUNCIL OF THE CITY OF UNIVERSITY CITY, MISSOURI, AS FOLLOWS:

Section 1. Chapter 17 of the Municipal Code of the City of University City, relating to Housing is hereby amended by repealing section 17-7 thereof, as amended by Ordinance No. 4288, enacted March 20, 1967, relating to space requirements and enacting in lieu thereof a new section to be known as "Section 17.7. Space requirements generally; ceiling heights; sleeping rooms" relating to the same subject, and re-enacting said section so that such section as so amended, shall read as follows:

Section 17-7. Space requirements generally; ceiling heights; sleeping rooms.

No person shall occupy or let to another for occupancy any dwelling unit for the purpose of living therein which does not comply with the following requirements.

Each dwelling unit shall contain the habitable rooms and closets designated below with the minimum floor areas and least dimensions as scheduled below:

Name of Space	Minimum Area in Square Feet			Least Dimension (applies to 90% of required floor area)
	1 to 2 Occupants	3 to 5 Occupants	6 or more Occupants	
Living Room	N.R.	120	150	10'-0"
Dining Room	N.R.	80	100	7"-8"
Kitchen	50	50	60	3'-0" clear passage
Bedrooms	(See paragraph A below for requirements 7'-0"			
Closets (total)	10*	20*	30*	

\*Each bedroom must have 6 square feet of closet space opening into bedroom.

A. Every room occupied for sleeping purposes by one occupant shall have a minimum floor area of 70 square feet and every room occupied for sleeping purposes for more than one occupant shall have a minimum floor area of at least 50 square feet for each occupant. No part of the living room, kitchen, or dining room may be counted as part of the required space for sleeping purposes.

B. Every room used as a bedroom shall have access to at least one water closet without passing through another room used as a bedroom.

C. Habitable rooms shall have a clear ceiling height of not less than seven feet and four inches (7'-4") except that in attics or top-half stories the ceiling height shall be not less than seven feet (7'-0") over not less than one-third (1/3) of the area when used for sleeping, study or similar activity. In calculating the floor area of such rooms only those portions of the floor area of the room having a clear ceiling height of five feet (5'-0") or more may be included.

D. Combined Living room-Dining room spaces will be construed as meeting the requirements of this section if the total area is equal to that required for separate rooms and if the space is so located that it may function as a Combination Living Room-Dining Room.

Section 2. This ordinance shall not be construed so as to relieve any person, firm or corporation from any penalty heretofore incurred by the violation of Ordinance No. 4288, enacted March 20, 1967, nor bar the prosecution for any such violation.

Section 3. Any person, firm or corporation violating any of the provisions of this ordinance, shall upon conviction thereof, be subject to the penalty provided in Chapter 1, section 1-8 of the Municipal Code of the City of University City.

Section 4. This ordinance shall take effect and be in force from and after its passage, as provided by law.

PASSED this 6th day of November, 1967.

---

Mayor

ATTEST:

---

City Clerk

PREPARED BY:

---

City Counselor

*Exhibit No. 55*

## Information from the Department of Housing and Urban Development\*



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
819 TAYLOR STREET, FORT WORTH, TEXAS 76102

REGION V

April 7, 1970

IN REPLY REFER TO:

Mr. George C. Bradley  
Assistant General Counsel  
United States Commission on Civil Rights  
Washington, D. C. 20425

Dear Mr. Bradley:

This will acknowledge your letter dated March 17 which was received by my office April 8, 1970, regarding the Commission's request for examples of progress made under Section 701 Comprehensive Planning toward the elimination of dual housing markets.

In regard to St. Louis in particular, I am enclosing a copy of the East-West Gateway Coordinating Council's Initial Housing Element that was included in their 701 program for Fiscal Year 1970. You will note that there is a number of actions that are to be undertaken either this year or during the second year that will assist in the elimination of dual housing markets. The other forty regional Councils of Government, as well as the eight states in the present Region V of HUD, have included housing elements in their 1970-71 budget, each differing in some respect but all pointing toward the development of more and better housing for the minority and the poor, as well as attempting to assure a free choice for every family regardless of income or race.

I am also attaching a copy of instructions that were sent from this office to all of the planning agencies in the region indicating priority activities. You will note that in these instructions we have stressed free choice of housing, the establishment of production targets, particularly for low and moderate income families, and analysis of existing geographic distribution of housing by type and cost and families by income, size and character with the request that obstacles to complete free choice of housing should be identified and analyzed, and actions should be defined to achieve the objectives of open housing.

I hope that these submissions will enable the Commission to more fully understand the steps being taken by HUD under the 701 Comprehensive Planning to assure a free choice of housing.

Sincerely,

H. Earl Rosamond  
Assistant Regional Administrator  
Program Coordination and Services

Enclosures

\*The East-West Gateway Coordinating Council Initial Housing Element has been retained in the Commission's files.

## PRIORITY ACTIVITIES

There are many activities which may directly contribute to program objectives. These should be encouraged and given priority funding. Following are the program objectives and examples of supporting activities.

1. Housing (Including Operation Breakthrough)

The emphasis of projects in this area should be on assuring a free choice of housing for every family regardless of income or race. Housing production should be increased particularly for low and moderate income families. Obstacles to the production and location of industrialized housing should be overcome. Housing for low and moderate income families should be located so as to provide opportunities to live in all areas; but particularly outside of areas that already contain high concentrations of minorities and poor. Necessary and equal public and private facilities and services should be provided to every neighborhood.

The following are examples of priority activities:

- Revision of State or regional initial housing elements (work programs) to include a Breakthrough Operation Plan setting forth those activities (such as the following 8) that are to be undertaken over the next two years to meet the objectives of Operation Breakthrough. The Operation Plan should define activities, milestones for their achievement, personnel and the budget necessary to undertake them. It should define the working relationships between State, regional and local planning and housing agencies. It should be continually refined, updated, and expanded over time as information and program experience is gained. HUD Breakthrough representatives will help with the preparation of these Operations Plans.
- Preparation of estimates of potential housing starts in metropolitan areas and regions. The estimates should focus particularly on the potential construction of State and Federally subsidized housing for low and moderate income families. The estimates should be obtained through discussions with sponsors and developers of subsidized housing such as public housing authorities, nonprofit housing corporations, turnkey and limited dividend sponsors. They should include information on the proposed type, size, location, cost and volume of potential housing development. HUD Breakthrough representatives will help define techniques for making these estimates.

-2-

- Establishment of housing production targets. Housing production targets, particularly housing for low and moderate income families should be established based upon the estimates of potential housing starts and any additional demand factors. The targets should be explicit in terms of the number of houses, the types, the cost and general area for construction. The targets should be incorporated into a Breakthrough Operation Plan. Breakthrough activities should all be designed to accomplish the targets. HUD Breakthrough representatives will confer on the setting of targets.
- Analysis of existing geographic distribution of housing by type and cost and families by income, size and ethnic character. Information should be developed on the constraint on housing production, particularly on subsidized housing production and siting of this housing outside of minority and low income areas. Obstacles to complete free choice of housing should be identified and analyzed. Actions should be defined to achieve the objectives of open housing.
- Identification of housing sites. Suitable sites should be identified for organizations which wish to develop housing for low and moderate income families. Sites might be publically or privately owned. They should be properly zoned. They should have or there should be some promise of the availability of necessary support utilities. They should not be priced outside of the limits allowed under State or Federal subsidy programs. HUD will provide guidance in making such surveys.
- Review of Development Plans and Zoning. Existing development plans and zoning should be reviewed and restrictive plans and abuses of zoning power should be identified. Plans and zoning should be analyzed in terms of the choice and variety of opportunities they provide for all citizens. Restrictive practices such as excessive large lot requirements, minimum floor space requirements, limits on numbers of bedrooms in multifamily developments and absences of medium density or multifamily residential zones should be eliminated. The consequences of such abuses in terms of economic and racial segregation, the uncontrolled spread of urbanization, the loss of accessible open spaces and the high cost of providing

utilities such as transportation should be widely publicized. Regional residential density and land use patterns should be prepared which will provide for a variety of housing costs and living environments throughout a region. Local master plans should be reviewed and revised to provide for all necessary development densities. Needed revisions to zoning ordinances and maps should be proposed and well publicized.

- Modernization of building codes. Building codes should be reviewed and if needed, amendments prepared to permit industrialized housing production and/or construction of HUD-certified housing systems such as those to be developed by Operation Breakthrough.
- Provision of technical assistance to sponsor and developer. Assistance should be provided to aid the creation of non-profit housing sponsors or corporations. Operation Breakthrough and State and Federal housing aids should be identified and explained to housing sponsors and developers. Assistance should be provided to package the building programs of public housing, housings and other sponsors and developers into larger more economical programs. Imaginative and integrated programs using housing subsidies, sewer and water grants, and other development aids should be prepared to support the production of housing, particularly for low and moderate income families.
- Preparation of administrative, legislative and financial programs to reduce the obstacles to and/or promote the construction of Breakthrough or traditional housing. Actions might include the establishment of State or regional low income housing development authorities, with powers to acquire land and construct housing for low income families. Assistance programs might be established such as seed money programs, low interest loans for housing site acquisition or State tax reliefs or specified aids for communities which provide for housing for low and moderate income families.

## 2. Governmental Management and Coordination

### a. Policy Development and Coordination

- The preparation of development policies by chief elected officials or executive authorities to guide the allocation of resources and the delivery of services.
- Development of planning, programming and budgeting processes at the State and local levels.
- Technical assistance by State and areawide agencies to local governments on such matters as planning, programming and budgeting, preparation of reconnaissance studies, taxation and other aspects of governmental management related to basic development policy formulation.
- Studies leading to improvements in organization and management that will result in the more effective implementation of development policies.
- Analyses of the interrelated impacts of functional development policies such as the effect of transportation or sewer and water development policies on land supplies and available housing.
- The preparation of legislation and administrative material related to policy implementation.
- Coordination of Federal, State, areawide and local development projects and programs, particularly coordination activities required to implement BOB Circular A-95.
- Provision of staff to work regularly with community groups to keep them informed of the planning agency's activities and to solicit their views on community problems and possible solutions; and to make sure that such groups have a chance to express their views during preparation of an overall program design, goals and objectives, and major proposals, before decisions are formalized and adopted.

### b. Strengthening Planning Staffs

- In-service training sessions and workshops for staff on comprehensive planning, programming, budgeting techniques and other tools of planning.

- Work/study programs linking planning agencies and universities, particularly to encourage the entrance of minorities into the planning field both at the professional and subprofessional levels.
- Training sessions and workshops for staff and citizen advisory groups on the purpose and function of citizen participation in planning.

### c. Volunteer Resources

- Identification and marshalling of volunteer resources from all segments of the community to attack critical urban problems. "Volunteer action" includes those instances in which organizations or individuals not in government or under legal compulsion make available goods or services to deal with social, economic or environmental issues in both rural and urban areas.

### 3. Water, Sewer and Open Space

- Development of water and sewer plans and programs to control the direction, rate and character of land development to ensure an orderly and efficient pattern of growth.
- Relate sewer and water facilities to the provision of adequate housing, particularly for low income and minority persons, and to protect natural resources.
- Provision of technical assistance to meet water and sewer planning requirements for construction grants.
- Development of legislative, administrative or financial programs to improve the organization, authority, financing or operations of water and sewer authorities.
- Development of open space plans and programs including plans for recreation trails to serve all citizens.

### 4. Model Cities

- Development by State agencies of policies and procedures to focus State resources and Federal resources passing through the State on the achievement of Model Cities objectives.



- Provision of technical assistance by states and areawide agencies to Model Cities.
- Preparation of areawide data, analyses or plans and programs to assist the implementation of Model Cities goals.

5. Support for Locally Determined Objectives.

- Support for the establishment and maintenance of new and responsive planning institutions.
- Support for locally determined objectives leading to improvements in the quality and efficiency of land development, and utilization of human and natural resources.
- Preparation of plans and programs for areas not covered above, such as industrial, commercial, highway, transit, solid waste, and community facilities.

*Exhibit No. 56*

Correspondence Regarding Trash Removal in the City of Olivette\*



VERNON G. BOXELL  
CITY MANAGER

## CITY OF OLIVETTE

9473 OLIVE BOULEVARD  
OLIVETTE, MISSOURI 63132  
993-0444

COUNCIL-MANAGER GOVERNMENT

MEMBER ST. LOUIS COUNTY LEAGUE OF MUNICIPALITIES

*City Council*

ISAAC E. YOUNG, MAYOR  
JOHN E. WATERSTON, CHM., PRO-TEM  
WILLIAM R. GARTENBERG  
RONALD L. CUPPLES  
JEROME FELDMAN

April 17, 1970

Mr. George C. Bradley  
Assistant General Counsel  
United States Commission on Civil Rights  
Washington, D. C. 20425

Dear Mr. Bradley:

Please find enclosed the data that you requested in your letter of March 17, 1970. I hope that this is the material you desire. If you have any questions please feel free to contact me.

Thanking you very kindly for your interest in this matter, I am

Very truly yours,

CITY OF OLIVETTE

*Vernon G. Boxell*  
Vernon G. Boxell  
City Manager

VGB:mm

encl.

\*The correspondence has been retained in the Commission's files.

*Exhibit No. 57*

## Job Retention, Comprehensive Manpower Program

HUMAN  
development

HUMAN DEVELOPMENT CORPORATION  
1321 Clark Avenue  
Saint Louis, Missouri 63103  
314-241-7500

April 13, 1970

Mr. George C. Bradley, Assistant  
General Counsel  
United States Commission on Civil Rights  
801 19th Street N. W.  
Washington, D. C. 20405

Dear Mr. Bradley:

You have requested certain data from us concerning job placements accomplished by our Comprehensive Manpower Program in Saint Louis. You were interested in retention, promotions, firings, lay-offs and voluntary terminations.

As I told you in my letter of March 16, 1970, we are engaged in an intensive special follow-up study to learn how our clients have fared in these respects over a period of time considerably longer than our normal follow-up. The study of three sample groups of enrollees is now complete. I will present these first results to you, and if you are interested in data on a larger sample of our clients, I will forward it as our study progresses.

This first sample consists of 179 clients, who were placed in jobs during three representative periods in 1968 and 1969. The details of the follow-up are presented on the attached lists and graphs. In summary, the results were as follows:

After 30 days, 61% were still on the job; 6% had been fired, 6% had been laid-off, and 27% had voluntarily quit.

After 90 days, the retention had dropped to 35%; 8% had been fired, 15% had been laid-off, and 42% had quit.

Mr. George C. Bradley  
April 13, 1970  
Page -2-

After six months, retention was down to 22%; 9% had been fired, 21% had been laid-off, and 48% had quit.

Only 10 promotions were reported, less than 6% of the clients.

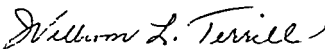
A glance at the attached graph shows the number of voluntary terminations rising sharply, almost matching the corresponding decline in retention. Both firing and lay-off rise very slowly. One should be a little wary of interpreting this data literally, since they are based on the reports of the clients themselves; it is probable that some of those who reported that they were laid-off or quit, were actually fired.

Even taking this into account, however, it is obvious that most of those who did not retain their jobs quit voluntarily. Our follow-up included a question on the reason for quitting. Only 20% said they left without having secured other employment, 12% specifically mentioned low wages. 20% objected to the type of work or working conditions. Others gave personal reasons such as illness, pregnancy, or child care problems.

Only six people mentioned transportation problems, and only one person specifically quit because of an abusive employer. These two findings should not be taken as generally representative of Black people's employment problems in this area. Our sample is biased, because we naturally do not try to place our clients in jobs that will present too much of a transportation problem. We also do not seek jobs with employers whom we know to be racially hostile, until we have first accomplished some moderation of attitude, and have first gained some confidence that our clients will not only be hired, but will be treated decently.

We are glad to have this opportunity to help the commission in its fine work, we will have more extensive data later if you require it.

Yours very truly,

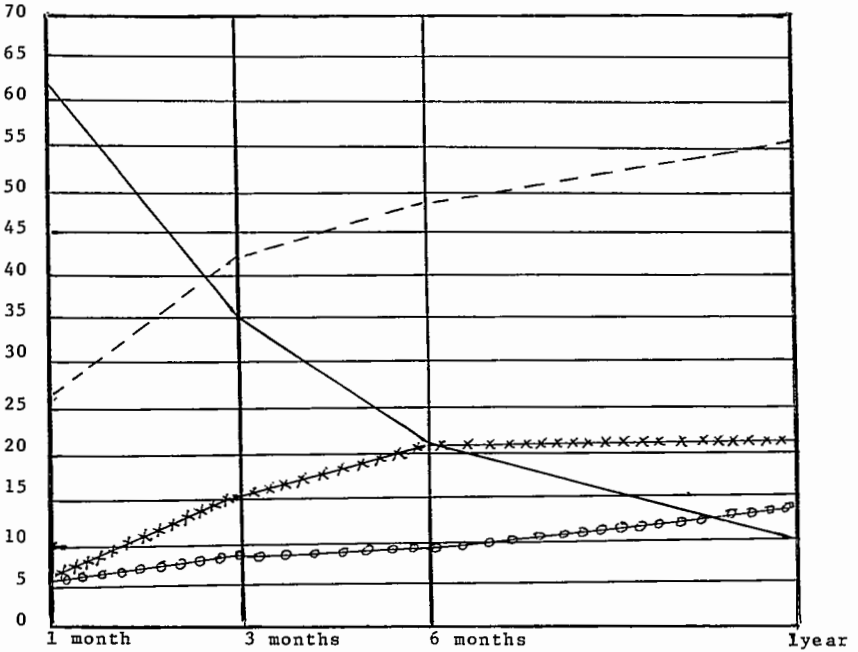


William L. Terrill, Acting Deputy  
for Manpower Programs

WLT:cj

JOB RETENTION  
 COMPREHENSIVE MANPOWER PROGRAM

% of Sample



———— Still on Job  
 - - - - - Voluntarily Quit  
 x x x x x Laid Off  
 o o o o o Fired

*Exhibit No. 58*  
Statistics on FHA Insuring\*



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

OFFICE OF THE UNDER SECRETARY

IN REPLY REFER TO:  
UDS

Mr. George C. Bradley  
Assistant General Counsel  
United States Commission  
on Civil Rights  
Washington, D. C. 20425

Dear Mr. Bradley:

This is in response to your letter of April 13, 1970, relative to number and dollar volume of FHA insured dwellings in the largest U. S. cities.

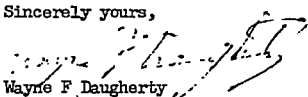
The changing emphasis of housing legislation and the volatile trends in the housing markets, over time, preclude us from making accurate assessments of the geographical aggregation of home mortgage activity.

I have enclosed a copy of FHA Home and Project Mortgage and Property Improvement Loan Insurance Operations which will provide you with data on the places mentioned in your letter. This publication provides county data and data on independent cities for Home Mortgage programs and Project Mortgage programs for the calendar year 1968 and cumulative from 1934 through 1968. Calendar year and cumulative data on individual Home Mortgage and Project Mortgage programs are also available, in the report, by Standard Metropolitan Statistical Areas. National totals for each of these programs are shown for both inside and outside these metropolitan areas.

If your office has any questions concerning these data, Mr. Ryan or Mr. Lyons of my staff may be contacted on 75-57090 or 75-57093.

Thank you for your interest in our programs.

Sincerely yours,



Wayne F. Daugherty  
Director  
Statistical Reports  
and Analysis Staff

Enclosure

\*"FHA House and Project Mortgage and Property Improvement Loan Insurance Operations" has been retained in the Commission's files.

*Exhibit No. 59*

## Chrysler Corporation Retention Rates

**CHRYSLER  
CORPORATION**

May 6, 1970

Mr. George C. Bradley  
 Assistant General Counsel  
 U.S. Commission on Civil Rights  
 Washington, D. C. 20425

Dear Mr. Bradley:

The materials requested in your letter of March 12, 1970, have been compiled. They are listed below in the order requested.

1. (A) Number of persons referred from the Chrysler Training Center who were placed on roll at the Missouri Truck Plant as Spot Welders during the period from January 13, 1969, to January 13, 1970:

Black Employees	-	31
White Employees	-	<u>2</u>
Total		33

- (B) Number of persons who were normal hires who were placed on roll at the Missouri Truck Plant as Spot Welders during the period from January 13, 1969, to January 13, 1970:

Black Employees	-	10
White Employees	-	<u>60</u>
Total		70

2. (A) Retention of persons placed on roll at the Missouri Truck Assembly Plant as Spot Welders during the period from January 13, 1969, to June 13, 1969.

G. C. Bradley

- 2 -

May 6, 1970

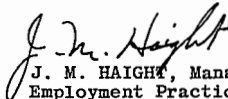
	<u>Training Center</u>		<u>Normal Hires</u>		<u>Total</u>	
	<u>Black</u>	<u>White</u>	<u>Black</u>	<u>White</u>	<u>Black</u>	<u>White</u>
Hired	17	1	5	28	22	29
Terminated	9	1	3	23	12	24
Laid Off & Placed at Other Chrysler Plants	8	0	0	0	8	0
Active (Still on Roll)	0	0	2	5	2	5

3. (A) Number of persons referred from the Chrysler Training Center who were placed on roll at the Missouri Truck Plant as Spot Welders during the period from January 13, 1969, to February 13, 1969.

	<u>Training Center</u>		<u>Normal Hires</u>		<u>Promotions</u>	
	<u>Black</u>	<u>White</u>	<u>Black</u>	<u>White</u>	<u>Black</u>	<u>White</u>
	2	0	2	4	0	0

I trust the above information is that which the U.S. Commission on Civil Rights requested. If any additional information is needed, please let me know and we will comply.

Very truly yours,

  
J. M. HAIGHT, Manager  
Employment Practices

JMH:bd



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