

NOMINATION

HEARINGS BEFORE THE COMMITTEE ON FINANCE UNITED STATES SENATE NINETY-FIRST CONGRESS

SECOND SESSION

ON

NOMINATION OF ELLIOT L. RICHARDSON, OF MASSACHU-
SETTS, TO BE SECRETARY OF HEALTH, EDUCATION, AND
WELFARE

JUNE 11 AND 12, 1970

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NOMINATION OF ELLIOT L. RICHARDSON, OF MASSACHUSETTS, TO BE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

THURSDAY, JUNE 11, 1970

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C.

The committee met, pursuant to recess, at 10 a.m., in room 2221, New Senate Office Building, the Honorable Russell B. Long, (chairman of the committee) presiding.

Present: Senators Long, Anderson, Talmadge, Fulbright, Ribicoff, Harris, Byrd, Jr., of Virginia, Williams of Delaware, Curtis, Miller, Jordan of Idaho, and Hansen.

The CHAIRMAN. The committee will come to order, please. This morning we will consider the nomination of Elliot Lee Richardson, of Massachusetts, to be Secretary of Health, Education, and Welfare. Mr. Richardson is nominated to succeed Robert H. Finch as Secretary and he brings to his new post rather extensive experience in public life. He was Assistant Secretary of HEW under President Eisenhower and later served as attorney general and Lieutenant Governor of Massachusetts before returning to Washington as Under Secretary of State. He has achieved a high reputation in his post as Under Secretary.

A biographical sketch of Mr. Richardson has been submitted and I will include that in the record at this point.

(The biographical sketch follows:)

ELLIOT LEE RICHARDSON

BIOGRAPHICAL DATA

A graduate of Harvard College and Harvard Law School, Elliot Richardson has, in the intervals between his periods of public service, practiced law in Boston. Mr. Richardson served in the Army in World War II and went ashore with the 4th Infantry Division on D Day in Normandy. He was awarded the Bronze Star for Heroic Service and the Purple Heart with Oak Leaf Cluster.

Upon graduation from law school, where he was president and editor in chief of the Harvard Law Review, he became law clerk to the late Judge Learned Hand and then to the late Supreme Court Justice Felix Frankfurter.

In 1953 and 1954 he served in Washington as assistant to Senator Leverett Saltonstall.

Mr. Richardson was appointed Assistant Secretary (for Legislation) of Health, Education, and Welfare by President Eisenhower in 1956. He served as Acting Secretary of the Department, April to July, 1958. He was responsible for developing and presenting to Congress bills on aid to education, social security, public health, juvenile delinquency, etc.

In 1959, President Eisenhower appointed Mr. Richardson as United States Attorney for Massachusetts. While in this office he conducted a widespread

investigation of highway landtaking frauds and started a drive against organized crime.

In 1964, he was elected Lieutenant Governor of Massachusetts. In this position he coordinated the state's health, education and welfare programs under Governor Volpe. He headed the Task Force which produced the Community Mental Health Act and developed a multi-service agency program.

In 1966, Richardson was elected Attorney General of Massachusetts. In this capacity he established the nation's first state-level Organized Crime Unit and moved to investigate and prosecute consumer fraud and unfair trade practices. As Chairman of the Governor's committee on Law Enforcement and Administration of Criminal Justice, he oversaw a complete evaluation of the state's criminal justice system and recommended and implemented programs for its improvement.

Mr. Richardson was appointed Under Secretary of State by President Nixon and sworn in by Secretary Rogers on January 24, 1969. As Under Secretary he has participated in meetings of the National Security Council and has been Chairman of the NSC Under Secretaries Committee. In addition, he has been Chairman of the Board of the Foreign Service, an inter-agency body, which is undertaking a major review of the organization and personnel structure of the foreign service.

A former partner in the Boston law firm of Ropes & Gray, Mr. Richardson is a member of the Board of Overseers of Harvard College. He is also a member of the Board of Governors of the American National Red Cross by appointment of President Nixon. He is a member of the Council on Foreign Relations, a Fellow of the American Academy of Arts and Sciences, and a Fellow of the American Bar Foundation.

Mr. Richardson is a former Secretary and Trustee of the Massachusetts General Hospital. In 1964 he was chairman of the Greater Boston United Fund Campaign, and as a member of its Board of Directors was instrumental in the creation of the Massachusetts Bay United Fund. He was also a member of the Board of Directors of United Community Services of Metropolitan Boston and of its Health Division Committee.

He was born in Boston on July 20, 1920. His wife is the former Anne F. Hazard of Peace Dale, Rhode Island. They have three children and live in McLean, Virginia.

COMPLYING WITH CONFLICT OF INTEREST LAWS

The CHAIRMAN. Mr. Richardson, I am sure you are aware that there are a number of statutes generally referred to as conflict-of-interest laws which govern to some extent your conduct as Secretary of Health, Education, and Welfare. I assume that you have examined these statutes and that you will testify that you are in compliance with them.

We are pleased to welcome you before the committee and we will be pleased to hear any statement—may I say that before I invite you to make a statement, I would like to call on Senator Fulbright, who is very busy today with other legislation.

ELLIOT RICHARDSON PRAISED IN JOB AS UNDER SECRETARY OF STATE

Senator FULBRIGHT. Thank you, Mr. Chairman. The only reason I wanted to be called on out of order is that the Foreign Relations Committee is meeting and I promised to go there to relieve Senator Sparkman. I wanted to take this opportunity to say that I first became acquainted with Mr. Richardson when he became Under Secretary of State. I have seen him a number of times. I consider that he has done a very good job, an excellent job in administering and discharging his responsibilities as Under Secretary of State and it is with great regret that I see him leave that post. I have mixed feelings in the sense that I am very much opposed to his leaving the State Department because it needs him and his talents as much as any other de-

partment. But the President, of course, having made the decision, I certainly have nothing but a favorable impression of Mr. Richardson and I wanted that on the record at this time.

I appreciate very much the chairman allowing me to say that at this time. I very much regret seeing Mr. Richardson leave, although I think he is an excellent man who will do a very good job in HEW.

The CHAIRMAN. Thank you.

I see that you are accompanied by the junior Senator from Massachusetts, who very ably represents that State. I will call on Senator Brooke to introduce the Secretary.

STATEMENT OF HON. EDWARD W. BROOKE, A U.S. SENATOR FROM THE STATE OF MASSACHUSETTS

Senator BROOKE. Thank you, Mr. Chairman and members of the committee. I am indeed grateful for this opportunity to appear before the committee and to introduce Elliot Lee Richardson. I have known Elliot for a long period of time. He is uniquely qualified for the position for which the President has chosen him.

You have before you his very exemplary record. You know that he was editor-in-chief of the Harvard Law Review, that he served not only as the Assistant Secretary of HEW, but for a period was the acting Secretary of HEW. He has served as clerk to Learned Hand, and to Mr. Justice Felix Frankfurter. He served as the U.S. Attorney for the District of Massachusetts. He served as our Lieutenant Governor and our Attorney General.

Elliot Richardson comes from a very distinguished medical family in the Commonwealth and he has gained a reputation not only in Massachusetts but in the Nation as a very conscientious, thoughtful and I think even most importantly, an effective administrator. He is a man who can make the tough decisions. He has toughness of mind but he also has a great heart. I think these two characteristics uniquely qualify him to serve as the head of this most important Department, the Department of Health, Education, and Welfare.

With him at the hearing this morning, Mr. Chairman, is his wonderful family: his very charming and gracious wife, Mrs. Anne Richardson to my right in the first row. Beside her, Miss Nancy Richardson, his very beautiful young daughter, and one of his sons, young Michael Richardson. The other son is at the present time climbing mountains. So, as you can see, he has a very wonderful and active family.

As the distinguished chairman of the Foreign Relations Committee has said, Elliot has served very ably as the Under Secretary of State. All of us are very sorry to lose him in the important field of foreign policy. Nevertheless perhaps the most challenging job in the Nation today is the one to which he has now been appointed—the job as the head of the Department of Health, Education, and Welfare.

So, Mr. Chairman, it is with singular pride that we present to you one of Massachusetts' favorite sons and most distinguished and able sons, Secretary Elliot Lee Richardson:

The CHAIRMAN. Mr. Richardson, if you would care to make a statement or if you have a prepared statement we will be happy to hear it at this time.

**STATEMENT OF ELLIOT LEE RICHARDSON, OF MASSACHUSETTS,
NOMINEE TO BE SECRETARY OF HEALTH, EDUCATION, AND
WELFARE**

Mr. RICHARDSON. Thank you very much, Mr. Chairman, and members of the committee.

First, let me thank my old friend, and Senator from my native State, Ed Brooke, for his very generous words. I can only say, Mr. Chairman, and members of the committee, that I shall do my very best to live up to them, although I am humbly aware of the difficulties of doing this. At any rate, Ed, I am very grateful.

First of all, as far as the committee itself is concerned, Mr. Chairman, I would like to thank you and your colleagues for scheduling these hearings so soon after my nomination was announced. While I have found great satisfaction in my service in the Department of State and have, I hope, made a contribution to the work of that Department, and in many ways feel sincere regret on leaving it after only a year and a half, nevertheless, I am aware of the challenge and the opportunities that lie ahead in the Department of Health, Education, and Welfare, and so I am anxious to start tackling those problems as soon as reasonably possible.

PREVIOUS SERVICE AT HEW

As Assistant Secretary of HEW in the Eisenhower administration, I had frequent occasion to work with this and the other committees of the Congress that have jurisdiction over HEW legislation. I came during those 3 years to appreciate the opportunity to work very closely with those committees on a collaborative basis. Perhaps the most rewarding experience of those years for me was the opportunity to work with the Senate Committee on Labor and Public Welfare on the development of what later became known as the National Defense Education Act. This was in the truest sense a collaborative effort as between the executive branch, on one side, and the Congress on the other. Having had that experience, I look forward to developing similar relationships with this and the other committees having jurisdiction over HEW legislation.

WIDE RANGE OF DOMESTIC PROBLEMS FACED BY THE DEPARTMENT

The Department, of course, embraces a very wide range of the most difficult problems of our domestic society, but to say that is also to say that these are the problems which afford the greatest opportunity for real services to people. If there is any other overriding impression I took away from my service in HEW, beyond that of the opportunity to work with the Congress, it was the opportunity to work with thousands of dedicated career public servants in the Department. These are people who care about the problems with which they work. They are people who care about children, about illiteracy, about disease, about

making our country, especially for the deprived and the handicapped and the disadvantaged, a happier and more rewarding place in which to live.

I particularly look forward to rejoining people in the Department who are still friends and to making new friends there, not only among the people who have come there within this administration but the people who were there before we came and who will be there after we are gone.

I am not sure, Mr. Chairman, and members of the committee, that this is the occasion on which to try to express a general philosophy of approach to the work of the Department. I would simply say this in a few words.

RECOGNIZING ROLE OF HEW

We need, I believe, to recognize the role of the Department of Health, Education, and Welfare and all of its agencies as contributing to a few basic purposes to which a great many other agencies, both governmental and voluntary, also contribute. I have had the privilege and the opportunity in past years, aside from working in the Department of HEW here in Washington, to work at the State level as Lieutenant Governor, with responsibility for the health, education, and welfare programs of Massachusetts. I have spent the equivalent of at least a full year in the work of voluntary agencies, including most of a year as chairman of the Greater Boston United Fund Campaign, and I have served also on the health division committee of the social welfare voluntary planning agency in Boston called United Community Services.

I also served for a number of years as a member of the board of trustees of the Massachusetts General Hospital. And so, I see programs in health and programs in welfare, programs in education, vocational rehabilitation, and other fields as programs that should not be regarded as subdivided by professional disciplines or old and established categories, but rather as means of contributing to meeting the overall needs of people; and I see Federal programs and State and local programs as having this same function with governmental programs on the one side and voluntary ones on the other.

And so, it seems to me that the most fundamental problem we face is the problem of how to assure that these various agencies within HEW in Washington and through its regional offices at the State level and the local level, together with the voluntary agencies, can most effectively work together to bring to bear what are inevitably limited resources seeking to solve and to ameliorate age-old problems, problems which could absorb almost an indefinite volume of resources.

In a word, Mr. Chairman, and members of the committee, I genuinely look forward to the opportunity to make a contribution in this direction.

COMPLIANCE WITH CONFLICT OF INTEREST REQUIREMENTS

On the matter of conflict of interest, I did transfer various investments to a blind trust, sometimes called an ignoramus trust, at the time that I became Under Secretary of State. That trust is on file at the moment with the Foreign Relations Committee together with a list of

investment securities which were donated to it. I shall be glad, Mr. Chairman, to refile these documents with this committee, if you so desire.

JOB OF SECRETARY OF HEW SEEN AS DIFFICULT

The CHAIRMAN. Thank you very much, Mr. Secretary. I once regarded as an ambition that every young man ought to consider to be President of the United States but when I came to learn what that job was, I concluded that the man, if he is wise would not take the job, knowing what the burdens of it are today and what a thankless job it appears to be. I think your job is in about the same capacity.

There are so many things you have to look into in the Department of Health, Education, and Welfare, that I do not see how a man can even know what is going on much less run that Department the way that we would like to have a Federal agency administered. You, as a witness before this committee, are handicapped by the fact that you do know something about that Department and you have had some experience with it. You are not quite privileged to take the attitude with regard to some policy questions that one could take if he were coming in completely fresh—that is, if he comes with no knowledge and no experience in it.

I would like to ask you about a few matters that you will have to deal with there. Now, in the first instance, under the social security bill as passed by the House this year, social security taxes will eventually go up to 13 percent on a rising earnings base which will eventually reach \$22,000. Any further improvements in the social security program would have to be financed almost entirely from an increased tax rate.

How much farther above this 13 percent tax rate do you think we can go?

Mr. RICHARDSON. Well, I have no fixed views on that, Mr. Chairman. As in so many other areas, a question of this kind can only be resolved, I think, in the light of how important it appears to be to do what you want to do. I know of no proposals presently pending that would in my judgment justify a major increase in the presently scheduled tax rate for the Old Age Survivors Disability Insurance System. But I would want to consider a proposal along these lines on its merits and in the light of the purposes for which the increase would be used.

The CHAIRMAN. Well, the House bill carries with itself a guaranteed increase every time the cost of living goes up. Does that not also mean a tax increase?

Mr. RICHARDSON. It means, as I understand it, Mr. Chairman, an increase in the amount contributed by an individual but it is an increase brought about by an automatic increase in the wage base rather than the tax rate. Presumably, therefore, since it is geared to the increase in the cost of living, it is probably geared in the large also to increases in wage rates.

The CHAIRMAN. Well, does not that to some extent involve a surrender of the taxing power to the executive?

Mr. RICHARDSON. Well, of course, it is done under legislative action and the Congress, at any time, if it feels that the system is not working properly, can change its mind.

The CHAIRMAN. Bob Myers drafted an article which I believe you have read, that discusses the difference between the point of view of the expansionists—those whom he describes as expansionists in the Department—as contrasted to his own views, which I would assume to be in the minority in the Department. Are you aware of that article?

Mr. RICHARDSON. I am aware of it, Mr. Chairman. But, in fact, I have not read it. I am aware in general of the difference in points of view that you refer to.

The CHAIRMAN. Well, the expansionists in effect, would expand social security to cover everyone's health problems, for example. How do you feel about that?

Mr. RICHARDSON. I would be opposed, Mr. Chairman, to seeing the Social Security System used as an instrument for the financing of medical care generally for the population as a whole. I think that in this country we have to a remarkable degree, achieved the ability for those people who are earning wages or salaries and for their families to provide for their health care through voluntary methods and through voluntary insurance programs. I think we should, therefore, focus our attention so far as public programs are concerned in the areas that are not adequately covered through voluntary arrangements, and these are the areas, of course, in which this committee has focused its attention in the past; namely, the health insurance coverage of retired people, of disabled people, and the health care of those who simply do not have the salary or wage income to provide for themselves.

The CHAIRMAN. What is your attitude about these proposals to expand the welfare rolls from 10 up to 25 million people?

Mr. RICHARDSON. Are you referring, Mr. Chairman, to the family assistance program?

The CHAIRMAN. Well, that plus anything else along that line, to increase the welfare rolls to that degree. That is a 150-percent increase.

Mr. RICHARDSON. Well, Mr. Chairman, I would have to say that I know of no proposal to increase the welfare rolls as such by that proportion. I would distinguish, as I use the terms, between welfare in the sense of a program geared to a determination of individual or family need, on the one side, and a proposal, on the other, which granted a family allowance as the family assistance program would. And I think this is quite a fundamental distinction of approach.

The CHAIRMAN. Well, I would hope that if we are going to have a family allowance for people who are capable of working that the family allowance be strictly tied to the fact that that person as a precondition is doing what is within his power to earn an honest living. If he is not doing that I hope we would not make it possible for him to get it.

Now, are you concerned with these recent trends of court decisions and regulations pursuant to those court decisions holding that a person is entitled to continue receiving these welfare payments until he exhausts all sorts of administrative appeals which are practically trial

procedures, and in which he is entitled to receive the services of lawyers paid for by the taxpayers?

Mr. RICHARDSON. Mr. Chairman, I am not familiar enough with the court decisions to be able to comment intelligently on them. In general, however, I believe that Federal programs designed to provide financial assistance to individuals or families should so far as possible and practicable, have built-in provisions providing work incentives and should be tied in with programs that assist individuals capable of employment in obtaining such employment and acquiring the skills necessary to qualify for it.

REFUSAL OF WORK

The CHAIRMAN. Let me just put it on a basis I can understand. I cannot get my laundry done these days. Now, my wife can go down and get my underwear done all right in a washing machine but when it comes to getting my shirts done, we do not have the kind of facilities to do the shirts right now.

It would seem to me that if a person wants to get a family assistance allotment and there is work to be had over there in that laundry, you ought to at least say "Well, old fellow, there is a job over there. With family assistance you can make twice as much as you would just on welfare but we are not going to give you the welfare or the family assistance unless you take the job."

Now, does that appeal to you or do you think he ought to have the privilege of turning that job down and still draw the payments?

Mr. RICHARDSON. Well, I certainly think and I believe it is a part of the family assistance program that any individual who applies for assistance under the program must also register for work, and a determination is made as to the individual's capacity to work, and assistance is provided either in training or in locating work. But I am not quite prepared, Mr. Chairman, to say here and now just how I think a determination can appropriately be made that the individual has refused to take a job for which he or she is qualified and what the sanction then attached should be.

Certainly, at some point, if the work incentive is to be meaningful, an individual who is identified as capable of working, and for whom a job has been made available, should on some kind of finding be determined to be ineligible if he is unwilling to take the work.

The CHAIRMAN. Well, the kind of thing I am thinking about is just the simple justice of a case where a person is able-bodied, able to work, declines to do so, and expects to be supported on taxpayer's money. Compare him with someone who has a physical impediment to begin with, but who nevertheless turns to and does a day's work every day and pays taxes to support that professional hobo.

Now, it seems to me that in that type situation, this person who is able bodied, fully capable of working, should not be privileged to turn down gainful employment and still obtain welfare payments or the support of government. If the person goes to a job and performs in such a fashion that the boss is required to fire him, it seems to me that he ought to suffer some penalty for not doing the job which he is fully capable of doing. In other words, the right of a person to voluntarily go hungry in this Nation, I think perhaps should be continued

even though we would prefer that he would work gainfully for his own benefit as well as for his loved ones and for society.

I would just like to know if you agree with that.

Mr. RICHARDSON. I agree with you in principle, Mr. Chairman. I can only say that I would want to look closely at the applicable provisions of the given program to be sure that they were directed effectively toward this objective on the one side without on the other creating problems which otherwise might tend to impede the administration of the program.

I think, in other words, that the general approach that I would support has to rest in the end on the confident belief that most people who can work want to work, would rather find an occupation that gave them a sense of dignity and effective participation in society and the opportunity to earn more than the amount of money that would be available to them simply as a handout.

The CHAIRMAN. It seems to me that when you are talking about the people that somebody ought to put to work, the old American tradition of the housewife, when a fellow comes to the back door saying: "There is some wood out there, if you would chop that wood into kindling I will be glad to fix a meal here and feed you as well as I am feeding my own family. But now, if you do not want to chop that wood, and turn to and do some chores around here to help me, I am not going to feed you."

Do you think it should be on a different basis than that? Why should she feed the fellow first and then have him refuse to work?

Mr. RICHARDSON. I think in the situation you describe the answer is clear. You should expect him to chop the wood before you feed him.

The problem in large scale programs is in the first instance to determine whether the individual can physically chop wood; second, if he has the physical capacity, whether he really knows how to chop wood or whether he needs some help in learning how—

The CHAIRMAN. That is easy enough to do.

Mr. RICHARDSON (continuing). And so on.

The CHAIRMAN. If you can swat a fly, you can chop wood. I have tried both and it is easy enough for somebody to just chop some wood. He can learn how.

Mr. RICHARDSON. Of course, another problem is to take this individual and match him up with somebody who wants some wood chopped. So, it gets complicated. In general, I do not have any problem in agreeing with the approach you take and as I understand it, the administration's program is designed for the first time to build into programs of assistance to poor people a positive work incentive.

As I further understand it, Mr. Chairman, the additional proposals that have now been submitted to your committee are designed to incorporate work incentive into other related areas in which individuals and families receive tax-supported assistance of some other kind.

The CHAIRMAN. Well, Mr. Richardson, my impression is that you can get almost anything done if you really want to do it and if you are not too much concerned about who gets the credit for it. That is the impression I gain.

Now, in some respects we here on this committee are ahead of President Nixon in talking about "workfare" as a substitute for welfare. We wrote the work incentive program into the law and then we became aware of the fact that there is an organization here that, accord-

ing to their press relations, was telling the people how to stay out of the work program "until hell freezes over." And as though that was not bad enough, we then found that the Federal Government was giving them money—financing them in showing how not to go to work, and how to frustrate what we were trying to do in putting people into gainful jobs, and in discouraging them from working for their own benefit.

Now, how do you feel about the Federal Government paying money to help organize people and to show them how they can frustrate efforts to put them in gainful employment until hell freezes over?

Mr. RICHARDSON. I certainly do not think, Mr. Chairman, that the Federal Government should be coaching people in how to stay out of work.

The CHAIRMAN. That is the same bunch of professional hoboes that just pulled a sit-in strike on your predecessor, Mr. Finch. Presently they have a \$38,000 contract to pull sit-in strikes on the Secretary of HEW, to come out and create commotion in this committee room and to show people how to refuse to work for their own advantage.

Now, do you think this Government should pay money out for those sort of purposes?

Mr. RICHARDSON. As you describe these purposes, Mr. Chairman, I certainly do not think the Federal Government should subsidize them.

The CHAIRMAN. Well, they pulled a sit-in strike on your predecessor in his office, and even in the most liberal press here in Washington they were condemned for that kind of conduct. How do you think that you can justify further subsidizing that organization with Federal money?

Mr. RICHARDSON. Well, not simply for the purposes you described.

The CHAIRMAN. For any purpose. Why should they not be thrown out on the street and put to work honestly rather than trying to frustrate programs and recruit more hoboes to do what they are doing?

Mr. RICHARDSON. I can only answer the question as you have posed it on the basis that they should not receive Federal funds for these purposes. But I would certainly on the other hand, have to say—

The CHAIRMAN. May I say this—go ahead.

Mr. RICHARDSON. I would have to say, Mr. Chairman, that before reaching any definite determination on what to do about a given contract, I would want to look at the contract, want to see what it was for, and whether these people are performing some other function under the contract.

The CHAIRMAN. Under previous administrations it was popular for some old hard working farmer to have a sign on the back of his little farmtruck, saying, "Fight poverty, go to work." If I do say so, I think that is a pretty good way to fight poverty. I hope you agree somewhat because some of us are going to try to move in that direction. I take it that is what President Nixon is hoping to achieve when he sends his plan. But his program is not going to be a bit more successful than our efforts in putting people to work unless he has administrators who want to achieve the same results that we are trying to achieve and he is trying to achieve. I just want to know if you think you can put some zeal into putting these people to work.

Mr. RICHARDSON. I have no reservations about that, Mr. Chairman, and I can assure you that my colleagues in the Department and I look forward to working with you and the members of your committee in assuring that the legislation before you now does, in fact, contribute

so far as its draftsmanship can make it so toward this general objective.

The CHAIRMAN. Well, I would suggest to you, Mr. Secretary, that you ought to get someone to show you some pictures—just look at the faces and the bodies of those people who pulled a sit-in strike on your predecessors and the people who pulled the sit-in strike on this committee, and in case you do not recognize them, come up here when they cause the next commotion before this committee. If you, in your job, succeed in either cutting them off from Federal money or putting them to work at hard labor you will be deserving of a decoration. That is one of the things that I hope to achieve. I am not going to interrogate you anymore at that point. You have a very difficult job to do and I do not want to make it more difficult, but I do hope that you can do the job that we envisage when we pass the laws up here—some of which are recommended by you and others which you perhaps reluctantly concur in—to do what the Congress thinks and what the President seems to think is in the national interest, notwithstanding many of the frustrations that you will encounter along the line.

Senator Anderson?

Senator ANDERSON. I have no questions. I just say that everything I hear about you is good and I am going to leave it that way.

Mr. RICHARDSON. Thank you very much, Senator.

The CHAIRMAN. (Holding up several news clippings.) Might I just say that I will make this available to you and I think maybe we will just reprint it. The reproduction will help you recognize the faces. Here are some of the bums I would like for you to put to work if you can. If you cannot put them to work, take them off the Federal dole. They are all able bodied. They should be able to do something. They can find plenty of time to come to Washington and raise all sorts of mischief, create all sorts of commotion, and break the laws. I would think that they should be able to break in on some kind of a job and do something other than create trouble and mischief and misunderstanding among people. If I do say so, they are about the poorest sort of representation any poor man can get.

I think I am working for the poor and I believe every member of this committee is working for the poor in trying to help those who deserve it. We do not want to do—as far as I am concerned, I do not want to do—anything for those who are not deserving except to make someone deserving out of them.

Now, from the State Department experience, your experience, to use that old expression, the carrot and the stick, the carrot is all right with me provided the stick is on the other end to see to it that those types of people are enticed on the one hand but also pressed on the other to do something for society as partial consideration for what society is doing for them.

Thank you, Mr. Secretary.

(The articles referred to by the chairman follow :)

[From the Washington Post, May 14, 1970]

FINCH TAKES ABUSE CALMLY AS PROTESTERS SEIZE OFFICE

(By Haynes Johnson)

Robert Finch had been speaking with two reporters in subdued but serious tones yesterday about the gravity of American problems at home and abroad when the door to his office suddenly burst open.

"Can I help you?" the Secretary of Health, Education, and Welfare said, rising from a chair in a corner of the room with a startled look on his face. There was no response as a group of 17 protesters, black and white, young and middle-aged, men and women, took command of his office. They had "liberated" it.

For the next hour, while Finch sat calmly listening and occasionally responding, the group denounced him personally and the Nixon administration generally. They appropriated the Secretary's desk and his telephone, shouted angry warnings and railed against American intervention in Cambodia and the lack of money to deal with domestic problems.

The group was led by George Wiley, executive director of the National Welfare Rights Organization, and included among its ranks a number of welfare mothers from Philadelphia and several students from American University in Washington.

Also in the group were Beulah Sanders and Etta Horne, leaders in the welfare rights group.

"This is one of our ways of striking at the administration's policies," Wiley said. "We've liberated Secretary Finch's office."

Throughout the hour, Wiley sat in Finch's large chair behind his desk using the Secretary's telephone while Finch remained seated in an easy chair next to a sofa across the room. Several times, when the phone rang an HEW aide took the phone from Wiley to answer Finch's calls. The aide also nervously turned over copies of letters and memoranda on Finch's desk.

Finch himself remained coolly unperturbed no matter how loud the language or abusive the words. The only visible display of emotion was when he gripped the arm of his chair tightly at a particularly angry retort.

Finch was talking to two reporters from The Washington Post about recent critical events when his office was taken over.

Wiley began the confrontation by telling Finch that the American intervention into Cambodia was a case of spending more U.S. dollars for death. "We're here because we're worried about money for life," he said.

Some protesters carried leaflets saying "stop the war and feed the poor"; others wore welfare rights campaign buttons carrying the slogan "5500 or fight." That refers to the organization's demand for a guaranteed annual income of \$5,500 for a family of four. The Nixon administration has proposed a plan that would include a \$1,600 annual minimum income for a family of four.

Although the group demanded that Finch and the administration adopt its plan, the discussion ranged far beyond that one issue.

"Secretary Finch, do you have children?" one black welfare mother asked.

"Yes," he answered quietly.

"Would you like to see your son be sent to a war that he might not come back from without even a just cause?" she said.

"I'm as anxious that we terminate this war as you are," Finch said, in even tones.

"What are you going to do about it?" he was asked.

He attempted to explain that he understood how they felt, and that he was convinced President Nixon's Cambodian decision would shorten the Vietnam war and bring home Americans sooner. They were not persuaded.

He was accused of being a "funky for President Nixon," and was asked:

"Are you afraid of Nixon?"

"No," he said.

The Secretary was asked again about his view on the larger guaranteed annual income, and he replied:

"I'm proud of the part I've played in getting this welfare reform started."

Again, the subject of the war intruded. The Nixon administration was sending young Americans to die overseas while other Americans were dying of starvation here at home, one woman said loudly.

"All I can say to that is I want that war over as badly as anyone in this room," Finch said.

The remarks from the protesters grew angrier—and noisier. Many were speaking at once.

"Our leadership in this country is failing the people, and this country is heading for destruction," one woman shouted.

"What would you do if one of your children had been one of the Kent students?" another cried.

"I hope when they drop the bombs they drop one right here on this office, and one right on the White House," said another.

There were remarks about "Tricky Dickie" and about the President being "sick in his head," about genocide and official repression, about crime and narcotics, schools and the cost of living, unemployment and the high cost of sending men to the moon.

Over and over, Finch was accused of being a "yes man," or a "puppet" for the administration.

"Be your own man," he was told more than once.

At one point, Finch began to respond by saying, "If you don't think I realize these problems are so deep and real then . . ." But his answer was lost in the rising response of the protesters.

Finch never raised his voice. Nearly an hour had elapsed when he asked: "Who else has not had a chance to speak here?" By then, the first group had been joined by nine more protesters. Several spoke up about the same points that had been raised previously.

Finally, Finch stood up. Several minutes later, at about 12:35 p.m., he walked out of the room. As he left, a woman shouted out of his window, "power to the people."

The group remained, insisting they would not leave until the war in Indochina is ended and the \$5,500 annual income figure is met. Later in the afternoon, Finch met with two members of the group and received a list of demands.

Last night, 21 demonstrators who refused to leave were arrested and charged with disorderly conduct. In a statement issued by HEW, Finch said:

"This is a department concerned with the general health, education and welfare of 204 million Americans—including the poor. Today's attempt to disrupt the business of the department was counterproductive."

Earlier, outside his office, Finch had summed up the day to a reporter by saying:

"It's very difficult. I like to let them have a chance to sound off. It's hard for them to see all the complexities. Some of them are genuine hardship cases, and some are hard-core exploiters.

"I keep trying to tell them: I'm doing what is politically possible."



By Douglas Chevalier, THE WASHINGTON POST

The leader of a protest group that took over HEW Secretary Finch's office sits in his chair with feet on desk.

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Mrs. Johnnie Tillman, president of National Welfare Rights Organization, talks to Finch in his office.

[From the Evening Star, May 14, 1970]

SIT-IN STAGED AT FINCH OFFICE

(By David Holmberg)

Demanding that Health, Education and Welfare Secretary Robert Finch make a "commitment" against U.S. policy in Southeast Asia and for higher welfare benefits, 21 demonstrators occupied his office for more than eight hours yesterday before being arrested on disorderly conduct charges.

The demonstrators, most of them members of the National Welfare Rights Organization and led by its director, Dr. George Wiley, filed peacefully out of Finch's 5th floor office at 7:50 p.m., shouting their slogan "\$5,500 or Fight." A few college students who had joined the demonstration were among those arrested.

The slogan referred to the demonstrators demand for a guaranteed annual income of \$5,500 for a family of four.

They also asked for cuts in military spending, particularly in Southeast Asia, an end of foreign subsidies, closing of tax loopholes, a curtailing of "high expense accounts" for government office holders, and an increase in corporation taxes.

Finch, in a brief press conference following a mid-afternoon meeting with a representative of the NWRO, said many of the demonstrator's demands were not within the jurisdiction of his department. He noted that the administration has called for a \$1,600 minimum income, which would be supplemented with additional payments by individual states.

The secretary, who labeled the takeover of his office "totally inappropriate" and "counter productive," said the demonstrators appeared to "Think that all things can be solved at the federal level, and this is not realistic."

Undersecretary John G. Veneman, who sat in on the session with Finch, then reported back to the demonstrators, who acknowledged that some of their demands were out of the range of the department but emphasized that their main concern was a commitment from Finch against the war and for the \$5,500 plan.

"All we get from Finch," Wiley told Veneman, "is a lot of soft soap, and the appearance of liberalism . . . If Agnew can speak up, why can't he?"

With the demonstrators shouting their support, Wiley then repeated an earlier statement that the "occupation" would not end until Finch made a commitment on the war and on the guaranteed annual income plan.

OFFICIALS READ RULES

Veneman then withdrew, but returned two hours later along with General Service Administration officials and U.S. marshals to inform the demonstrators they would have to leave when the building was closed for the day a half-hour later. Finch had noted earlier that GSA regulations required the building be cleared at the end of the working day.

The officials, reading from GSA regulations, ignored the demonstrators' shouts of, "get Finch in here."

After dismissing the press from the secretary's office, the officials then engaged in a lengthy negotiation with the demonstrators over the terms of their arrest. They were finally held on a violation of the city code, which carries a penalty of \$50 fine or 30 days in jail. They could have been held under a federal statute with a maximum penalty of a \$100 fine or 6 months in jail.

BRIEF SCUFFLE

The demonstrators were taken to a waiting paddy wagon and greeted with shouts of "power to the people" from about 50 other protesters who had held a vigil in support of those in Finch's office throughout the day. Police arrested one youth following a brief scuffle after those arrested had been taken away.

The occupation of the secretary's office began at 11:30 a.m., when about 15 of the protestors burst in while Finch was being interviewed by two reporters.

Finch, according to an HEW spokesman, reacted "calmly" to the intrusion.

Wiley seated himself in the secretary's large leather chair and the demonstrators then held an hour's discussion with Finch, emphasizing their demands relating to the war and to welfare benefits.

POLICY DIRECTIVES

Finch left his office for an appointment at about 12:30 p.m. and the demonstrators then spent the next seven hours shouting out the window to their supporters outside, confronting HEW officials who wandered in, lounging on the office's leather chairs and plush blue carpet, and watching the secretary's color television set.

Mrs. Beulah Sanders, of New York, a vice chairman of the NWRO, occupied the secretary's leather chair most of the day, and was labeled "Secretary Sanders" by Wiley, who said that "policy directives" would be issued by the NWRO during the occupation of the office.

Mrs. Sanders conferred with her fellow demonstrators on strategy, read documents on the secretary's desk, and ate the peanut butter and jelly sandwiches which NWRO members had supplied for the occasion.

The NWRO leaders continued to maintain throughout the afternoon that they would occupy the office indefinitely. One demonstrator said mattresses were available and, referring to the food which was placed on a mahogany table next to the secretary's ornate desk, said: "For once NWRO came prepared."



Protesters who sat in at HEW Secretary Robert H. Finch's office and commandeered his chair

are seen from the office window being led to a police van after their arrest

[From the Evening Star, Sept. 20, 1967]

ANGRY WELFARE GROUP HOLDS HILL SIT-IN

(By Barry Kalb)

A group of about 50 angry welfare recipients staged a 2½ hour sit-in in a hearing room of the Senate Finance Committee to demand more time for airing their opposition to House-approved welfare restrictions.

Members of the National Welfare Rights Organization, who had come to testify yesterday on a bill amending the Social Security Act, sat in the room from 1 p.m., when Sen. Fred Harris, D-Okla., adjourned the hearing, until 3:45, when police threatened them with arrest if they did not leave.

Other members of the welfare group—along with Capitol police and Metropolitan police—milled noisily in the hall outside the hearing chamber while the sit-in was in progress.

The bill in question contains two sections which would seriously affect welfare recipients.

One provision would require mothers on welfare to take job training, which, the welfare group contends, would force them to neglect their children.

The other would freeze aid to families with dependent children (AFDC) rolls at the Jan. 1, 1967 level.

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POINT OF CONTROVERSY

Yesterday's controversy apparently arose over the question of what constitutes adequate testimony.

Harris said last night that the welfare group had been allowed more than 30 minutes to testify, while most witnesses are being allowed only 10 minutes.

He also said that by the time he adjourned the meeting, "the welfare group had ceased making affirmative statements, and had started to ask questions of me."

But Dr. George A. Wiley, executive director of the Poverty Rights Action Center in Washington, which coordinates the activities of the national organization, contended that a case like the present one cannot be adequately heard in the normal manner.

"TAKE HEARING TO PEOPLE"

"This hearing should be taken to the people," he said. "This so directly and vitally affects poor people, that I don't think this would be unheard of."

The welfare contingent, composed of Negroes and Puerto Ricans arrived in Washington Monday. Most of them are from East Coast cities, although the national chairman, Mrs. Johnnie Tillmon, is from Los Angeles.

Wiley said that originally, only he was scheduled to testify. But when he went to the witness table, he said, he took six members of the group with him, and Committee Chairman Russell B. Long, D-La., allowed these women to speak in Wiley's place.

The hearing was interrupted several times by the roll call bell, and on one occasion, both Long and Harris, the only members of the committee present yesterday, left to go to the Senate floor.

Harris soon returned alone.

About 1 p.m., Harris announced that he was recessing the committee to answer another roll call, but that he would return in about an hour. Then, he said, he reversed himself, and announced that the hearing could be reconvened only at the discretion of Sen. Long.

Most of those in the room, under the impression that the hearing would soon resume, sat and waited for the afternoon session to begin, Wiley said. He said Harris' announcements were "ambiguous."

NEWSMEN BARRED

At this point, Capitol police asked newsmen in the room to leave, and barred the entrances. The few members of the welfare group who left to get something to eat protested loudly when they were refused readmittance.

In the ensuing confusion, television crews said, Finance Committee counsel Thomas Vail pulled their power plugs and refused to let them continue filming outside the hearing room.

At 2:45, Long made a brief appearance, announced that the hearing was formally adjourned, and walked out.

Those in the room reported that Long banged his gavel so hard it broke, and Mrs. Hazel Leslie, chairman of the group's Philadelphia unit, said: "He just stalked out. Was he ever livid."

JAVITS TALKS TO SOME

Then an aide of Sen. Jacob K. Javits, R-N.Y., appeared in the hall and said that the Senator would speak with a contingent of welfare delegates from New York.

Five delegates went to Javits' office. They reported later that Javits told them, "I will try to arrange time for you to testify. I will do my best."

Javits said he would talk to Long personally, but by this time, over 50 policemen, including many usually on duty at the House office buildings, had arrived to clear the room in the New Senate Office Building.

At 3:45, the doors and the protesters filed out. Their colleagues cheered. The protesters announced that police had threatened to arrest them for unlawful entry if they did not leave.

Wiley said his group would try to testify again, but most of those here yesterday had to leave for home. As Mrs. Meggie Nord of Brooklyn said, "I have a sick husband and five kids at home. I can't stay here."



Welfare mothers stage a sit in at a Senate hearing.

Senator WILLIAMS. Mr. Secretary, I will withhold general questions. You will be back before the committee and we will have time to go into detailed questions further. I join the chairman. I am not sure whether I should congratulate you on your position or whether I should extend you sympathy.

AMENDMENT PROVIDING COST-OF-LIVING INCREASES UNDER SOCIAL SECURITY

Did I understand in answer to the question from the chairman that you supported or did not support the cost-of-living increase amendment that was added to the bill as it came from the House? I think that was the floor amendment, as I understand it.

Mr. RICHARDSON. Well, Senator Williams, I did not really have occasion while the matter was under consideration, to take a position on it. The chairman asked me a question which really bore on my views generally with respect to adding additional programs to the social security system and funding them under the social security tax, and I said I thought a distinction could be made between the addition of new programs requiring an increase in the withholding tax rate on the one side and a cost-of-living adjustment geared to an automatic increase in the wage base on the other.

I think that if the matter is carefully watched it can be an effective way of dealing with the problem of the more or less parallel increases in cost of living and in wage rates generally in our society instead of the alternative, which has been followed in the past, of making periodic adjustments.

Senator WILLIAMS. Just to summarize that, do I understand that you do support it or you do not?

Mr. RICHARDSON. Well, so far as I have any views on the matter, I support it. I have not really gone into this subject with any real

thoroughness since I first knew that I would be nominated for the Department of HEW.

THE WELFARE BILL

Senator WILLIAMS. On the question of the registering for work and the work incentive program, in order to function properly and be effective, what would be the minimum percentage that a man would have to be able to keep of that which he earned in order to be a real work incentive? I am speaking of the family plan or any supplementary plan. As it begins to work and expand its capacity what percentage would you say would be the minimum that he would have to keep in order to make that a real incentive program for the worker?

Mr. RICHARDSON. I am not sure of this. I would think, say, half.

Senator WILLIAMS. You think he would have to keep at least half of it in order to be a real incentive?

Mr. RICHARDSON. That is certainly my reaction to the issue. I know this is part of the program, but I had not really focused directly on whether or not; for example, it would be sufficient if, let us say, he kept a third or 40 percent. I think that you could justify a progressive increase in the ratio that he would keep so that you had a kind of sliding scale.

Senator WILLIAMS. I realize this is a new program and you have been in another area and I will not press you. I was not trying to pin it down to a particular figure, but more or less to get your views on the principle that there would have to be a substantial incentive there for the worker. I will withhold further questions at this time.

Senator ANDERSON (now presiding). Senator Talmadge?

Senator TALMADGE. Mr. Richardson, you have a very impressive background and it should well qualify you for the position for which the President has nominated you.

The administration yesterday sent up part of its revised welfare program, part of it is coming next week, part of it is coming 6 months from now and perhaps more to follow that. The family-assistance plan before us would add about 14 million people to the welfare rolls. Could we not work out some sort of nonproliferation pact with respect to the welfare program?

Mr. RICHARDSON. I think we are faced, Senator, with a very basic question of whether to scrap a system that has proved itself in many respects to be unworkable and substitute something else which would also incorporate the kinds of work incentive features which the chairman was calling attention to.

I think that the approach that has been taken in the family assistance plan is a sensible approach, even though its short run effect will be to add some people to the present welfare rolls.

Senator TALMADGE. Do you think we can do it intelligently on a piecemeal basis?

Mr. RICHARDSON. Well, I do not think you can put it on a piecemeal basis so far as money payments to families are concerned, but I think you could phase in other programs which have the effect of contributing to family income, whether through subsidy of public housing or through the food stamp plan or through medicaid, and work out means

of relating these to family assistance in a way that did not necessarily need to hold up the plan.

I think this is most clearly true in the case of medicaid, where the problem is most complex.

SCHOOL BUSING

Senator TALMADGE. I want to ask you a noncontroversial question. What are your views about busing of schoolchildren to achieve a racial balance?

Mr. RICHARDSON. My views, Senator, are very well reflected in the policies of the present administration. I do not think that any Federal program should require busing to achieve a racial balance or attach sanctions to the failure of a school district to provide busing as a means of carrying out a desegregation program.

On the other hand, I think that if a desegregation plan in fact does provide for busing and in the judgment of the school district or, if the matter is before a court, the court thinks it is the best way of bringing about desegregation, then the school district should be eligible, if the pending program of assistance in furthering desegregation is enacted, for Federal assistance.

Senator TALMADGE. Am I to understand from your answer that you do not think the Federal Government ought to impose such a busing plan to achieve racial balance?

Mr. RICHARDSON. Your understanding is correct, Senator.

Senator TALMADGE. I thank you, sir. No further questions.

Senator ANDERSON. Senator Curtis?

Senator CURTIS. No questions, Mr. Richardson. In due time we are interested in all these subjects that have been discussed, but at this time no questions.

Mr. RICHARDSON. Thank you.

Senator ANDERSON. Senator Harris?

Senator HARRIS. Senator Ribicoff.

FRUSTRATIONS CONNECTED WITH JOB OF SECRETARY OF HEW

Senator RIBICOFF. First, Mr. Richardson, may I say that I consider you eminently qualified for the position. I compliment the President for having chosen you, and I am confident that there is no man that could do a better job than you in this position. I welcome you to this position.

I notice with great interest why you wanted to be Secretary of HEW—challenge and opportunity, satisfaction, service to people. I would guess if you went back to the transcripts before this committee you would find every one of your predecessors and successors have used the same language.

Why do you think that every Secretary of HEW, including myself, left that position with a feeling of frustration?

Mr. RICHARDSON. Well, Senator, first let me say that I appreciate the very generous words you uttered in your opening remarks, and coming from a man who filled the job with great distinction, I appreciate them very much.

As to the sense of frustration to which you refer, I can account for this most simply on the basis that the Department of Health, Education, and Welfare has been charged with dealing with problems

that are, in the first place, difficult, and to a degree in some areas intractable, at the same time as people's expectations for success in coping with, ameliorating, or solving these problems have been rising.

I think it is a dramatic phenomenon of our society that for the first time we see poverty as something to be conquered, disease as something to be eradicated. People suffered for millenia before us and in other societies now suffer and endure because they see no way of curing conditions which we in this country today believe can and should be eradicated. Having once developed this attitude, we believe that it should be done now, not next year or 10 years from now, and I think it may be that a considerable factor in this sense of frustration is the awareness that expectations for performance tend to outrun whatever is accomplished in any given short period of time.

My own view is that we in the Department and in cooperation with State and local agencies need to find more effective ways of bringing to bear the resources we have for dealing with human problems. I think that there is—I saw it from the State end—an inconceivably complex tangle of separate categorical programs. It is absolutely impossible for a local administrator even to be aware of all the potential sources of Federal assistance that may be available to him or to the agencies in his community, and I suspect that a source of frustration to my predecessors has been the sheer difficulty in a short period of sorting out these programs while at the same time trying to develop new responses to existing needs.

At any rate, I tend to be that sort of person who measures his satisfactions by the scale of the possible and I do not expect to feel frustrated when I leave the Department.

Senator Ribicoff. May I make this comment for my predecessors, including myself and my successors, the reason every Secretary of HEW has had a sense of frustration is that there never has been a President of the United States that has ever backed up a Secretary of HEW, Republican or Democratic. The Secretary of HEW is impelled by the very nature of his job to keep pushing forward programs affecting every single person in this country, people who have no spokesman to speak for themselves and no pressure group or lobby.

Now, basically, no President has undertaken or been willing to undertake the hard political work to face up to many programs that are needed but are unpopular. No President of the United States has been willing to use up his credit, his political credit, to go to the people of this country to fight for a program that is meaningful for all the people of the United States.

Consequently, every Secretary of HEW has been in a difficult position. It is a duty for the Secretary to be loyal to his President—I think this is preeminent for a Secretary. Thus you must advocate programs that you do not believe in and find yourself against programs that you do believe in.

Now, consequently, all the Secretaries of HEW that have been taking the rap over the years, they have been doing it for their President, which is par for the course, and until a President of the United States is willing to fight for the programs he believes in, no Secretary of HEW can ever succeed in that post.

Now, a few more questions. In 1960, the budget for HEW was about \$15 billion. In 1970, the budget was roughly \$58 billion. That includes social security trust funds.

In 1960, there were 63,000 employees in HEW. In 1970, there were 102,000 employees in HEW.

In 1969, there were 166 programs administered by HEW. In 1970, there were 278 programs administered by HEW.

A few figures. The 1971 budget provides for—prospective budget—\$3.9 billion for education to be administered by HEW. There are some 20 other agencies of the Federal Government outside of HEW that will spend about \$6.8 billion for education.

In the field of health, the 1971 prospective budget has \$15 billion for health. There are 23 other agencies outside of HEW that will spend \$5.6 billion for health.

So, here you have a government spending fantastic sums of money for health and education and the Federal Government has no overall policy for health or education because of the fragmentation of these two important fields.

Now, Mr. Richardson, there is no other nation in the world, large or small, that combines health, education, and welfare in one department. Yet here we are, the most affluent country in the world which has done the most in this field, trying to work this in one department. Do you think the time has come for us to take a good look at health, education, and welfare and recognize that health, education, and welfare separately, the amount of money we spend, the number of programs administered, what is required of a man to exercise overall leadership in each one of these fields, is so important that we may have reached the stage where we start considering having a separate secretary for each area, at the same time should we pull into these departments all these other agencies and their programs and the large amount of money being spent?

Mr. RICHARDSON. Well, certainly, Senator, the situation which you have just called attention to is a very troubling one in many respects and your question really was, as I understood it, did I think we should take a look at what to do about it.

I think we should take a look at it. I can only add that I am not certain as of this moment that I think the answer is the separation of the health, education, and welfare components of the Department into new Cabinet departments. I think the answer to this question turns in large measure on whether you look at the functions of these subdivisions of the present Department from the perspective of the programs involved and the constituencies served, or from the perspective of the administration of the executive branch, as seen particularly of the administration of the executive branch, as seen particularly from the vantagepoint of the White House. From the latter vantagepoint there is something to be said for having a department head reporting to the President whose responsibilities do embrace all three areas, because certainly there are many common denominators, many areas of overlap and convergence among them, and, of course, there is a problem from the point of view of the President inherent in every decision to create a new agency reporting directly to him.

At any rate, I am aware of the problem and I certainly agree that it should have thorough reexamination.

Senator RIBICOFF. You see, the difference is this: While it is important for you to report to the President on all three together, yet you have no way to report to the President on the \$6.8 billion being spent

by 20 other agencies on education. You have no way of reporting to the President on the 23 other agencies spending \$5.6 billion in the field of health.

Now, I would respectfully suggest, now that the President has set up a new Office of Management and Budget, that you might explore with Secretary Shultz the fantastic fragmentation throughout the Federal Government, not in HEW, of programs in health and education. And as the committee that handled that proposal before the Congress, I was enthusiastic about the Ash Commissions' recommendation for the Office of Management and Budget. I think Mr. Shultz is eminently qualified and I would hope that some secretary will not take the attitude of most secretaries in quoting Churchill, "I was not appointed Secretary of HEW to preside over the dismemberment of HEW."

I think the time has come that is the best for the country.

PROGRAM EVALUATION AND PILOT PROGRAMS

Now, we have a problem too on the question of program evaluation, my guess is that when you get in HEW you will find that not all those 278 programs are necessary. May I say for the Finance Committee, that while it is reputed to be a sort of a conservative committee, I found as Secretary and also as a member that this committee has been very sympathetic, consistently sympathetic on problems of children, problems of the aging and many social reforms that this country needs. This so-called conservative committee, does a lot of pulling and hauling and grumbling but they usually report out legislation that is helpful.

But the more I get into these problems, this concern keeps confronting me. Blueprints are made by thoughtful men who believe they have the answer to big problems and we come up with multibillion programs, be it medicare or be it a welfare program or the field of education. Then we pass a major piece of legislation, committing the entire Nation to a multibillion program without knowing whether these programs will work.

Now, we are going through this now in the field of medicare. And I was one of those who formulated the first medicare program on which it was based, the Anderson bill, worked with Senator Anderson during those early years, and fought for its passage as a Senator.

I would suggest to you, and I think we are going to try this in this committee on any program you bring up, before the United States commits itself to a multibillion-dollar program, that you come up here with your suggestion for a pilot program. Before we commit ourselves to multibillion-dollar programs, we try out, by the expenditure of a few million dollars, what you seek to achieve; have four or five of them tried throughout the country; let us see how they work before we opt for the multibillion-dollar overall program.

I think instead of trying to correct, administrative monstrosities with the commitment of billions of dollars, we should try to see how these programs will work on a pilot program in diverse sections of

the country where we can make our own determination what will work and how they will work before we make the overall commitment.

I have discussed this with various members of the Finance Committee and staff and I find considerable sympathy to that point of view and I would suggest that in the days ahead, in the programs that you contemplate, whether you would not come to this committee with requests for authorizations for pilot programs before we come up with the ultimate multibillion-dollar program.

Mr. RICHARDSON. I think, Senator, that is certainly a very sound approach and I would certainly undertake to do this wherever it seems possible to do so. In some instances perhaps there will have been enough experience in other contexts which could serve instead of a direct federally sponsored program.

But I would add this, too, Senator. I think that a great deal more thought and ingenuity needs to be devoted to the development of techniques of evaluation of existing programs, and I think more thought needs to be devoted to this in advance, even after a pilot project has been tried out and even after it appears on the basis of the pilot project that a larger scale program is justified. I think that even then there needs to be built into the large-scale program from the outset techniques that will give us benchmarks of performance.

I think it is a fact that in a great many areas in which we devote resources to problems of human need, we have far too little evidence by which to judge the effectiveness of these programs.

CAREER EMPLOYEES AT HEW

Senator RIBICOFF. You mentioned something about career service and you were looking forward to working with men and women who worked with you at HEW. May I say from my experience I found that most of the career men were dedicated, were able, and committed to their country.

Now, in 1961 there was no thought of changing many of the career people who came in under the Republican administration. I am not talking about assistant secretaries or under secretaries. Reading the newspapers I find that one of the difficulties that HEW is having today is inability to get educators and health and science advisers because of political clearance. Do you believe that when we are dealing with health professionals, educational professionals, and science professionals, a man's politics, whether he be Democratic, Republican, or Independent, should play a part in whether he is able to advise the department or agency in the field of health or science or education?

Mr. RICHARDSON. Well, I think it depends on his role, Senator. I think that in a policymaking position in which the individual is responsible for and contributes to the development of the President's policies, that it is relevant to inquire what his political affiliation is. I think on the other hand, where an individual is being called upon to contribute on the basis of his expertise or professional knowledge as such, that political considerations do not have any proper place.

Senator RIBICOFF. I think you will find one of the difficulties in recruiting for a department that never had any difficulty in the recruiting is due to the fact that you almost have a boycott today of HEW from the educational, health, and scientific community because of

political clearances being made on nonpolicy matters. This is a problem that I know you would want to address yourself to because I do not think that HEW has ever been as empty in as many slots as they are today. The difficulty is filling those slots with qualified people. Heavens knows that there is enough difficulty recruiting excellent men anyway today at Government salaries, but once you complicate it by having the scientific and health community boycott you, then your difficulties certainly become compounded.

But, Mr. Richardson, as one of your predecessors, I wish you well. I will try to cooperate to the fullest extent possible and again, may I say that I personally believe from what I know of you, knowing you personally, that you are eminently qualified and I know that you will do an excellent job.

Mr. RICHARDSON. Thank you very much, Senator. Let me say a word or two more with respect to the matter of filling positions. Secretary Finch did establish an Executive Manpower Board to plan for and assure high quality staffing at the Department. It has, I am told since October 1, 1969, filled 72 executive level positions. Five of the six major health positions have been filled during the past month and I understand that the Department is close to announcing selections in other health vacancies.

JOB VACANCIES

I have been shown a list of key vacant positions, and I assure you, Senator, that I shall seek to fill them from the very best possible available candidates.

Senator RUSKOFF. May I just make one footnote. In my opinion, the Knowles affair was the greatest disaster that has ever been compounded upon the health side of HEW in our country. I know that you know Dr. Knowles as I know Dr. Knowles. I know that Secretary Finch wanted him. I think the decision for Dr. Knowles was a brilliant—would have been a brilliant appointment if the Secretary could have been successful. Many of the difficulties with all the health professions started with the rejection of Dr. Knowles, and it would be my hope that you would be able to bring Dr. Knowles—men like Dr. Knowles, I do not especially say Dr. Knowles, into the health field.

Now, the summary firing of Dr. Allen yesterday, I am sure, has also sent a shudder through the entire educational community. Frankly, I tried to get Dr. Allen to be Commissioner of Education when I was appointed Secretary in 1961. Dr. Allen, I see by the paper—is a Democrat. I never knew his politics. I knew he was serving Governor Rockefeller and I think he served Governor Rockefeller some 12 years before he came here. Generally, back in 1969 and even today, Dr. Allen was acknowledged to be one of the leading educators. I read he is supposed to be a bad administrator, and yet he administered the largest education program outside the Federal Government in the country, in New York State.

Governor Rockefeller is reputed to be a good administrator; and I do not think he would have kept Dr. Allen for 12 years if Dr. Allen were incompetent.

I do not think any Secretary is entering the job of HEW with as many slots empty and as many opportunities to bring qualified men. While it may be in a shambles, it is a break for you because you do have the chance of filling these empty slots with qualified men and I just want to make that as a footnote to what I consider some of the problems that you will have, but there will also be opportunity just because of the problems of the past.

Mr. RICHARDSON. I endorse the last part of your remark most heartily, Senator. I regard all of the problems as opportunities.

Senator ANDERSON. Senator Miller?

Senator MILLER. Thank you, Mr. Chairman.

Mr. Richardson, you have an excellent background and really an outstanding record of public service and I congratulate you on this appointment and wish you well.

MILLER UPTON LETTER TO THE PRESIDENT

First, let me ask you whether or not you had an opportunity to read an open letter to the President of the United States by Miller Upton, President of Beloit College.

Mr. RICHARDSON. No, I have not.

Senator MILLER. I have a copy here which I placed in the Congressional Record on June 3. I wonder if you would be good enough to read it and furnish a statement to the committee wherein you disagree, if you disagree with any part of it.

Mr. RICHARDSON. I will be glad to do that, Senator.

(The article referred to and a statement of Mr. Richardson follows:)

[From the Congressional Record—Senate, June 3, 1970]

OPEN LETTER TO PRESIDENT NIXON FROM MILLER UPTON, PRESIDENT OF BELOIT COLLEGE

Mr. MILLER. Mr. President, yesterday the distinguished minority leader, the Senator from Pennsylvania (Mr. SCOTT), submitted for the RECORD an excerpt from an open letter to the President of the United States from the president of Beloit College in Beloit, Wis.

I ask unanimous consent that the entire text of the letter may be printed in the RECORD.

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

"BELOIT, WIS.,
"May 11, 1970.

"President RICHARD M. NIXON,
The White House,
Washington, D.C.

"DEAR MR. PRESIDENT: As a college president, a past scholar-teacher, and one who has consciously devoted his whole life to the cause of higher education in the conviction that it offers the greatest hope for social progress and the elevation of man to his highest potential, I wish to apologize to you and the nation for the grotesque failure of the academic community at this hour of national trial and turmoil.

"I am fully aware of how extremely presumptuous it is for one to represent himself to apologize for the many, but I am constrained to do so nonetheless for the shame I feel for the community with which I have been so intimately related for so long and in which I have placed so much confidence in the past. Those who do not agree with me will, of course, be able and willing to speak for themselves.

"Let me establish a point about myself at the outset so that my position can be more accurately interpreted. I was a conscientious objector during World War II, and were I of draft age now I would be a conscientious objector again. But my moral opposition to war, however deeply and conscientiously held, does not entitle me on any ethical or moral grounds to take violent action against those who disagree. I must bear witness to truth as I see it, but I must also respect the right of the other person to do the same. Certainly, I must never hurt or demean another simply because he won't go along with my own conviction.

"This commitment to respect for the individual, intellectual openness, and freedom of inquiry is the transcendent value to which an academic community must be subservient. In fact, it is the only value to which the academy can pledge allegiance if it is to be consistent with itself. To elevate any other value is to break faith with this transcendent value and it is at this point that we have violated our public trust as professional educators; we have given in to violence and threats of violence in support of a particular point of view, and in doing so we have allowed the academic integrity of our individual institutions and the academic community at large to be violated.

"Being a conscientious objector to war and one who would issue such an open letter as this. I clearly am not opposed to dissent and protest. But I am vigorously opposed to violence in any form and for any reason, and most of all I am opposed to would-be leaders capitulating to intimidation and violence. Those who respect violence when used against them will inevitably employ violence when it suits their cause.

We in the colleges and universities have tolerated unspeakable intimidation and thought control on the part of radical students, faculty and others, and yet when Vice President Agnew speaks out forcefully against such the only voices that are heard from the academy are those who castigate him and you for repressing dissent. There are few college campuses, if any, where Vice President Agnew, or any member of your cabinet for that matter, could speak without disruption and even physical abuse and intimidation. But a convicted murderer, dope peddler, or one committed to the forceful overthrow of the government will receive not only a respectful hearing, but will be paid a handsome honorarium in addition. In the light of his high position, I have been embarrassed by some of the Vice President's intemperate language. But surely he has as much right to dissent and to be given a respectful hearing as any of the criminal element of our society.

"Much of the academic community is now telling you how to settle the war in Vietnam and being critical of your effort to protect lives and shorten the war by moving troops into Cambodia. I find it highly unbecoming of us to presume to tell you how to fight the war in Vietnam when we aren't even able to settle the wars on our own campuses. Nor do I use the word *war* in this context lightly. The throwing of missiles to do physical harm, the throwing of firebombs to burn buildings, the use of guerrilla tactics via arson and vandalism, the shooting and killing of combatants and noncombatants is every bit as much war as that which prevails in Vietnam, Cambodia, and the Near East. I have often wondered sardonically how many protestors of napalm have themselves thrown fire bombs or engaged in arson.

"I have also been appalled by a certain arrogance and inconsistency on our part with regard to the way we are free to tell you and others how to handle your jobs but become deeply resentful, insulted, and even hostile when there is any suggestion of your intrusion into 'our' domain. I am quite sure that I am able to run Beloit College better than you, but by the same token I am sure that you are able to deal with the issues of the Presidency of the United States, including fighting the war in Vietnam, better than I. The widespread propensity of members of the 'intellectual' community to make judgments without benefit of facts is one of my greatest disillusionments and embarrassments.

"As a matter of fact, my early naivete led me to embrace the academic life because of my belief that members therein were committed to intellectual honesty, rational behavior and humanistic concern and compassion. Recent incidents have merely confirmed all the more what my life's experiences have suggested. Academic man is as much motivated by vested interest, is as much controlled by base emotion, and reasons as much from prejudice as any other mortal. My readings of Ecclesiastes, the New Testament and the life of Mahatma Gandhi should have prepared me for this, but they didn't.

"We who work closely with young people and should know and understand them best have not been very helpful to them or to you and others of the adult

community in serving as a vehicle of communication. We have too often taken sides ourselves and been critical of one group or the other and not been sufficiently discriminating in our communication role.

"Maybe we can be forgiven on the ground that the task is such a difficult one. I know that the great bulk of college students are genuinely concerned about the inhumanity and futility of war and deeply question the legitimacy of a life that sanctions and even glorifies indiscriminate killing and maiming. I also know that the great bulk of adults and members of the establishment are sincere, dedicated individuals with the same hopes and aspirations as the young. But I also know that in each group there are examples that support the worst stereotype of each. The great frustration of the day is that despite this great community of interest and concern there is a growing separation based upon the sinful tendency to judge by stereotype and preconception. We in the academic community are frequently party to this sin even though our training should particularly help us to know better.

"Although my own sentiments are basically with the young people, I must admit that there is a general pandering to the young at the present time that is both disgusting and irresponsible. Disgusting because it prostitutes normal respect and affection. Irresponsible because it is creating an unrealistic cleavage between age groups.

"Of course, young people on the whole are wonderful, but what's new about that? The great reward of college work is the opportunity it affords to associate regularly with this age group. This idealism, absolutism, intellectual honesty and great aspiration of the young are the eternal attributes of this age group upon which society is dependent to preserve its vital, dynamic quality. These attributes are the standards of behavior to be expected, not glorified as unique in any narrow time span of human history.

"Young people are first and foremost people. Those who are young today will be old tomorrow and having to relate to those who are younger than. As people they represent all types, some taller than others, some fatter than others, some with higher IQs than others, some more criminally inclined than others, some more saintly than others, some more hostile than others, some more vocal than others, etc. There is no general virtue attributable to youth any more than there is general evil. We have done all young people a great disservice in recent years by suggesting to them that they are of a different breed from the rest of use and beyond reproach. They are nothing more than the fresh blood being pumped into the human society, just as we were in the past and their children will be in the future. We in Academe should have known this better than anyone else and not have failed them and you in your common need for understanding.

"We have been quick to tell you that you are alienating the youth of America, but we seem to pay little attention to the way we are alienating our own constituencies by our failure to protect the authentic academic integrity of our institutions. Implicitly we are also alienating the youth of America over the long run by our failure to be faithful to our leadership responsibilities.

"The pain that hurts most of all is the realization that I bear partial responsibility for the unnecessary deaths of four young people on the campus of Kent State University. The National Guard troops should never have been there in the first place, because we should never have permitted the conditions to develop which necessitated the presence of troops. Once this die was cast, it was simply a matter of time before tragedy would strike. If fault lies anywhere for the Kent State deaths it lies not with you and the Vietnam War but with the radical acts and excesses we have tolerated in the name of dissent.

"I am sure you know, Mr. President, that I do not say these things with tongue in cheek to placate others, to curry favor, to advance partisan interest, or to defend your war policies. Last fall I joined with a number of other college presidents to urge your rapid withdrawal of troops from Vietnam. I reaffirm this plea. But when I consider the whole matter fully and objectively, I have to concede that you have been more faithful to your leadership responsibilities than we in Academe have been to our own.

"With respect for the tremendous burdens you must bear for the rest of us and the conscientious way you are bearing them and with apology for the cruel injustices that have been foisted upon you by the professional community of which I am a part, I remain,

"Respectfully yours,

MILLER UPTON."

STATEMENT OF ELLIOT L. RICHARDSON, NOMINEE FOR SECRETARY OF HEALTH, EDUCATION AND WELFARE, IN RESPONSE TO A QUESTION OF SENATOR MILLER

Senator Miller has asked for my reaction to an open letter, dated May 11, 1970, to President Nixon from Miller Upton, President of Beloit College. I have read the letter with care and find it perceptive, balanced and, I believe, essentially sound. In short, Mr. Upton has expressed with clarity and conviction many of my own views on the senselessness of random violence and on the relationships of youth within America's social fabric.

ADMINISTRATION OF HEW

Senator MILLER. Now, second, as I view the departments, I look upon the Department of Justice as the agency of Government which has as its primary goal the achievement of legal justice for our people. I look upon HEW as the agency of our Government where the primary purpose is to achieve social justice for our society. Do you have a similar concept of that?

Mr. RICHARDSON. Yes, I do, Senator. I think that puts the matter very well.

Senator MILLER. Now, of course, there are a great many things being proposed or done in the name of social justice which to a number of people are anything but social justice at all. As a matter of the principles of social justice, recognizing that you can get into differences of opinion over specifics, would you agree that our society does not have a duty to provide money or help to members or our society who do not need it?

Mr. RICHARDSON. I would agree.

Senator MILLER. Would you agree as a matter of general principle that our society does not have a duty to provide money or help to those who need it but who are unwilling, though able to help themselves?

Mr. RICHARDSON. I would agree with that as a general principle, Senator, subject only to the problems which were identified in the course of my colloquy with the Chairman about determining who is who in applying the principle. But I do agree with the principle itself.

Senator MILLER. Now, as you know, there is a considerable amount of opinion in this country that we should strive for universal higher education. Are you a proponent of universal higher education?

Mr. RICHARDSON. Not in the 4-year college sense, at any rate. I think that the opportunity for education beyond high school is one which increasingly we must recognize as an opportunity that should be available to every individual who can profit from it. Indeed, I think that proposition is pretty well accepted now. But I think we ought also to keep in view the fact that there are a great many occupations which require and justify additional training, which are just as worthy and dignified and entitled to respect as any others, but which do not require a liberal arts degree.

Senator MILLER. So, while you recognize the desirability of having posthigh school education, you certainly will want to take into account the qualifications, the aptitude, and the attitude before deciding whether or not we should have individuals partake of that post-high school education?

Mr. RICHARDSON. I would certainly agree with that, Senator, I would, I think, have to add that I would want to look pretty closely at any approach to the appraisal of individual attitudes.

Senator MILLER. Well, that is understood but there are some, I am sorry to say, some educators, who, as represented by comments, would seem to be advocating the 4-year college program for students who simply do not have the aptitude or do not have the qualification.

Mr. RICHARDSON. Did you say aptitude?

Senator MILLER. Aptitude.

Mr. RICHARDSON. I though you said attitude.

Senator MILLER. And I said attitude also. They do not want to go. If they go, they may be there for a semester and then they drop out. They just do not have the attitude, they do not have the aptitude or they do not have the qualifications, and it seems to me it is not only a disservice to the people who support this but it is also a disservice to the individual who might well develop a different attitude and have the aptitude to have some posthigh school training in a different type of activity than a liberal arts atmosphere.

Mr. RICHARDSON. I agree with that, Senator.

Senator MILLER. Now, finally, I just think I should say this for the record, that I do not share the views of my friend and colleague, the Senator from Connecticut, with respect to the Knowles affair. I think that we ended up with a better man for the job in the form of Dr. Edeberg. I do not think and I do not agree that the educational community has been shaken to its foundations by the departure of Dr. Allen. I do not know the ins and outs of it but I am quite satisfied that a thoroughly capable successor can be found, and I just want you to know that the viewpoint of the Senator from Connecticut is not universally shared on this committee.

I wish you the best. Thank you.

Mr. RICHARDSON. Thank you, Senator.

Senator ANDERSON. Senator Harris?

Senator HARRIS. Thank you, Mr. Chairman.

Mr. Richardson, I am very impressed by your credentials and I think your appearance here this morning has been an additional credit to you as well. I do not intend to go into particular issues or programs. We will have occasion to do that on other days.

I am concerned, as are we all, I suppose, about the administration of HEW, there are continuing newspaper stories about vacancies and morale. Senator Ribicoff has alluded to that.

I wonder, without going into great detail or binding you as to methods, whether your former experience there and the time you have had to consider it since your own recent nomination have given you any ideas as to how things might be organized better or how contact between the Secretary and the various subagencies and employees generally might be better accomplished. I know that is a difficult administration job.

Mr. RICHARDSON. Well, I am glad to try to respond to the question, Senator, although I should say by way of preface that I am only

beginning to develop a feel first of all, for the extent of these problems, and secondly, for what their specific origins and causes have been.

I do have the impression already that a good deal of the newspaper comment has overblown the actual scale of the problem. One would get the impression that deep disaffection exists where as in fact, I think, most of the people in the Department are continuing to work at their jobs with the same dedication and conscientiousness that they have always had.

At any rate, I think the most important thing I can do is to make clear to the people with whom I will be working at all levels that I approach the job in terms of an opportunity to deal with problems in ways that, taking all considerations into account, seem best calculated to solve them. I think that by making clear my interest in working with anyone in the Department who can contribute to this overall objective that it should be possible also to make clear that there is no discontinuity in my perspective between the career people in the Department and the noncareer people. I consider us as working in a common enterprise in the fullest sense.

I believe that the career people in the Department want and welcome policy guidance from political appointees. It was my experience there more than 10 years ago that the career people were given an atmosphere in which their effectiveness could most fully be brought to bear where they did have a sense that a guiding philosophy, a sense of direction, was being brought to bear by political leaders who knew in general what they wanted to do and who were calling upon them as the experts to help them to accomplish it. I think if I can communicate this approach throughout the Department that this will help.

I do not want to give the impression, on the other hand, that I think that Secretary Finch did not have this approach. Put it the other way around. I am sure that he did as an individual, and insofar as there has been any breakdown of that feeling I want to try to locate its specific focal points and correct these, but I am just not in a position today to say what I think they are.

As part of this general approach I will certainly want to meet with people at all levels in the Department, agency by agency. I will want to hear from them what they think the problems are and out of this process I will certainly develop a clear sense of not only what the problems are but of how to go about dealing with them.

Senator HARRIS. I thank you for a thoughtful and responsive answer. I will just make this additional comment. Lately I have heard increased support for the idea that maybe there are too many subjects and too many agencies within the jurisdiction of that one Department. I would hope that as you proceed about your new duties you might consider the possibility of recommending to the President and to the Congress some new grouping within the Cabinet. I do not ask for any response to that statement, but I would appreciate it if you might give it consideration.

Mr. RICHARDSON. I certainly will.

Senator HARRIS. Thank you, Mr. Chairman.

Senator ANDERSON. Senator Jordan?

Senator JORDAN. Thank you, Mr. Chairman.

Mr. Secretary, I want to express my pleasure at your being appointed to this new job. You are leaving the Department of State and a place of relative calm, taking on this new assignment, and I think that it will call for the best talents you are able to give it.

You come well recommended with a fine record. You have been there before. However, the Department has increased about three times in size, I believe, since you were there in the fifties, in numbers and in appropriations. So, you are going to find it one of very complex problems.

FEDERAL GOVERNMENT ASSUMPTION OF WELFARE PROGRAMS

Mr. Secretary, many people believe with respect to achieving social justice, and you have discussed the matter of social justice with Senator Miller, that many welfare programs administered largely by the States because of their diverse support for welfare programs do not achieve social justice. Some people even believe that only by giving the Federal Government full responsibility in this area can social justice be achieved.

I would ask you only one question this morning. Do you believe that the Federal Government should at some point completely take over the welfare program?

Mr. RICHARDSON. Well, Senator, in the broad sense of the word welfare, the answer is clearly, no. In the narrower sense of what we have referred to as welfare; namely, public assistance programs, I think that one can very well justify the taking over of the administration of money payments while leaving in State and local and voluntary hands the provision of services to people. I take it that the family assistance program does represent a move in the direction of Federal administration of payments. But I take it further that you are really raising a broader question.

Senator JORDAN. A broad philosophical question.

Mr. RICHARDSON. With respect to the philosophical question, the broad one, I profoundly believe that it is important in the first instance to preserve a major role for voluntary agencies. I served, as I think I said earlier, as chairman of the Greater Boston United Fund campaign, almost a full year's job, and in that way, I had an opportunity to get an even deeper sense of the vital contribution these agencies make. It is a vital contribution not only to the people served but, it is fair to say, to the people who participate in providing the services, and particularly the individuals who contribute to them and help raise money for them and serve on their boards.

De Tocqueville—this is a point which I often used to call attention to—when he visited the United States in the 1830's, was struck by the degree to which individual Americans participated in helping others. He said, "In America when anyone perceives a need, the first thing that happens is that he goes across the street, enlists the interest of another neighbor, and before you know it a committee has been formed."

I would hate to see the evolution of governmental programs in the United States reach a point where people felt there was no room for that kind of direct response to human need. Beyond that I was struck when I served in the Department of Health, Education, and Welfare earlier by the fact that the administrators of Federal programs do not want to oust State and local and voluntary agencies from the field.

Take, for example, the field of children's services. The Children's Bureau in those days, as I knew it, had people who were deeply concerned with the needs of crippled children. They considered themselves as working in a close alliance with voluntary agencies such as the Easter Seal campaign, for example, and with their State and local counterparts, and they felt that their ability to meet the needs of crippled children was greatly strengthened by the fact that there were a lot of people all over the country who shared their concern, that they were not isolated bureaucrats to whom the whole function of worrying about crippled children had been delegated.

And so to put it more shortly, I think not only would American life be impoverished but I think our ability to respond to human need would be vastly weakened if we did not constantly and consciously keep in mind the role of non-governmental agencies and non-Federal agencies.

Senator JORDAN. I appreciate your answer and I share your views. I shall not take more of your time.

Thank you very much.

Senator ANDERSON. Senator Hansen?

WELFARE REFORM

Senator HANSEN. Thank you, Mr. Chairman.

Let me add my good wishes to those already expressed, Mr. Richardson. I, too, have observed your very brilliant career in various areas of governmental activity and I share the enthusiasm of my colleagues that you will do a great job in the post to which you now aspire.

I have two or three questions. The President has announced that next year he will send proposed changes to the Congress regarding medicaid and food stamps. These proposals supplement the welfare proposal present before us.

Do you think it is feasible for the Congress to act on welfare reform on a piecemeal basis or do you feel that the Congress should act when a complete proposal is offered?

Mr. RICHARDSON. I think, Senator, that the Congress can and should deal with the money payments problem first and that it should in so doing have in view the dovetailing of that action with action in the food stamps and medical fields, for example.

I think that it should also, having acted in the whole range of programs providing assistance to low-income people, require the executive branch to report back to it on the interrelationships among these programs as they develop and I think the committees having jurisdiction should themselves keep a very close eye on the situation. But I would not urge, indeed, I would oppose, this committee or the other concerned committees deferring action until you had a whole global package before you.

Senator HANSEN. In earlier questions there was some reference to social justice and what might be done by the Federal Government in

order to better achieve a degree of equity that does not characterize the programs nationwide at the present time. Recognizing the differences in costs of living and the amount of income that may be satisfactory to provide an acceptable level of living in one area as contrasted with another, do you feel that greater latitude might well be given the 50 States in structuring programs that will reflect conditions as they may exist and as they vary from one section of the country with another, or do you feel that there should be a further thrust to make more uniform nationally all of the programs we have going?

Mr. RICHARDSON. Well, Senator, I think that we are justified in taking the step of establishing a uniform basic floor of income which can then be supplemented by States. I think that, whereas we have had in the past a Federal-State program purporting to give substantial discretion to State and local communities in administration, the actual result has been to thrust upon States and local communities a mass of detailed requirements under various Federal assistance categories that only clog the process of providing income assistance to individuals and families. I think, therefore, that we are moving in the right direction in clearing away a lot of this underbrush through providing direct Federal administration of basic income support to families while encouraging the States to supplement this both in the form of additional income but most especially in the form of social services. And I think it is in the latter area more than in the administration of payments that State and local responsibility and capacity to innovate and experiment is most important to preserve.

Senator HANSEN. It has been said earlier today that the proposals that have been before this committee and before the House Ways and Means Committee, could result in some 12 to 14 or perhaps even 15 million more people receiving some sort of assistance. Add that number to the estimated 10 million already on some sort of welfare or State or Federal aid program and we come up with the number to which the chairman referred, some 25 million people. When we consider the basic minimum income that you have referred to, do you think that we are going to lessen or intensify the troubles and the frustrations that people experience generally?

I am thinking on the one hand of those persons who are employed, who are asking for no help, and that other great and growing body of persons on the other hand, who will receive some help or even perhaps a very significant amount of help. I would ask that you frame your response in the context of what I believe is a fact, that fewer dollars of income in some parts of this country may do a fairly adequate job equally as well as would be required by perhaps more dollars in other parts of the country.

Mr. RICHARDSON. Let me address the last point first, Senator. I agree with you that there are significant differences in terms of general quality of living in what a given amount of money will buy in one area as compared with another. But I think it should also be pointed out that, so far as the family assistance plan now pending before your committee is concerned, we are dealing with an amount of income made available by the Federal Government which is pretty low when you come right down to it by the standards of any part of the country and which really, in order to enable a family to get along, requires supplementa-

tion in some other way, whether through State funds or the income that is otherwise available to the family.

So, therefore, building on that floor of Federal support, the opportunity to adjust supplementary payments in the light of local conditions.

Beyond that, in addressing the fact that there will be the addition of a large number of people receiving some form of Federal assistance, the thing that persuades me this makes sense is, in the first place, that if you extrapolate present trends we will be continuing to enlarge year by year the number of people who are dependent on support made available to them on the basis of some kind of a means test administered in the welfare office. I think that has come to be associated with a sense of indignity and it has had the further inequity that these programs have discriminated against the working poor, those who receive no Federal welfare assistance, and in favor of unemployed or part-time employed males.

I think that to address the problem of money payments in the way we have already dealt with the problems of the availability of food stamps or public housing or commodity program or Headstart really, in effect, is a step toward redressing the balance, and I would hope that the result of building in the work incentives we have talked about here will in time be progressively to reduce the problem of dependency rather than to perpetuate groups of people and families who are almost a separate class in our society, the welfare-dependent people who even in continuing generations perpetuate this cycle.

So, in short, I think that we are justified in enlarging the number of people who receive some help in order to deal with more significant underlying problems.

REVENUE SHARING

Senator HANSEN. One final question, Mr. Richardson. You spoke about the need for greater thought and ingenuity being given to pilot programs. Those of us who find merit in a tax-sharing concept, I think, agree that innovation and experimentation that could be afforded by the 50 States through a tax-sharing concept might disclose some new approach much more quickly. The States would have the opportunity of trying out a number of systems whereas the opportunity for Federal experimentation obviously would have to be more restrictive.

Do you share the feeling that some tax-sharing of the Federal Government's funds with the States in this area could be helpful?

Mr. RICHARDSON. Yes, I do, Senator. At the cost of giving you more of an answer than you may want, I would just add that I think that we should at the Federal level recognize that the Federal tax base is the broadest and most equitable, and use it to collect funds for redistribution among the States in essentially the same way that a State uses its tax base for the redistribution of State revenue to its local subdivisions. And I think a significant proportion of Federal revenue over time should be devoted to just that purpose without any strings whatsoever.

I think, in addition to this, we should progressively over time move established categorical grant-in-aid programs into block grant form, by which I mean, as distinguished from revenue-sharing, a program designated by a broad purpose such as environmental health or public

elementary and secondary education. I think that we should over time transfer narrowly categorical programs into broader categories as they begin to establish themselves. And I think that we should change the mix of our project grant programs in order to be able to focus at a given time on the developing frontiers of social development and need.

I think that, in short, we need to develop an approach which takes it for granted that the combination of programs which an agency like HEW can effectively administer at any given time is not a fixed and irrevocable, immutable set of programs but rather should be judged in terms of manageability at a given time, so that we have a range extending from broad block grant approaches not requiring much of any day-to-day administration at the Federal level to those areas at the other end of the scale which you and Senator Ribicoff have referred to, in which we should be devoting quite a lot of attention to the design of pilot projects, with varying ranges in between, which from year to year would be updated in the light of experience and social change.

Senator HANSEN. Thank you very much, Mr. Secretary.

Thank you, Mr. Chairman.

Senator ANDERSON. We are about to finish the hearing.

Senator Talmadge?

Senator TALMADGE. Mr. Chairman, I have here some questions that two Senators who are nonmembers of the Finance Committee, desired to propound to Mr. Richardson. We have a very important vote coming up in the Senate in about 1 hour. I ask unanimous consent that if it meets with Mr. Richardson's approval, these questions be propounded in behalf of the committee by our general counsel and that the answers be recorded and made a part of the record in these hearings. Is that agreeable to you, Mr. Richardson?

Senator ANDERSON. Is there objection?

Mr. RICHARDSON. Fully agreeable to me, Senator and Mr. Chairman.

Senator ANDERSON. We will conclude the hearings. Thank you very much. You are a fine witness. We appreciate it very much.

Mr. RICHARDSON. Thank you very much.

(Whereupon, at 11:55 a.m., the hearing was concluded.)

NOMINATION OF ELLIOT LEE RICHARDSON, OF MASSACHUSETTS, TO BE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

FRIDAY, JUNE 12, 1970

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, D.C.

The staff met with the Secretary-designate at 9:30 a.m., in room 2221, New Senate Office Building.

The CHIEF COUNSEL. Thank you very much for coming in early this morning, Mr. Secretary. The committee is meeting now on other nominees, and I do believe they should finish their work about the same time you finish responding to these questions which other Senators had asked that the committee propound. At that point you will be asked into the executive session.

These first questions are ones which Senator Harrison Williams asked be submitted to the nominee on behalf of the Senate Committee on Aging.

OLDER AMERICANS

The STAFF (reading). It is my understanding that in your former service at HEW you demonstrated special interest in the problems of older Americans.

Would you give us some description of what your goals were then?

STATEMENT OF ELLIOT LEE RICHARDSON, OF MASSACHUSETTS, NOMINEE TO BE SECRETARY OF HEW

Mr. RICHARDSON. It is true, Senator, that as Assistant Secretary of HEW, I had a good deal to do with the Council on Aging, which was then the focal point of the Department's programs for the aging. At that time our principal concerns were; one, to stimulate State agencies to develop programs having particular focus on the needs of older people. We in the Federal Government were primarily interested in the development of more effective means of providing health insurance coverage for old people as a group. We were concerned with the development of more humane and compassionate means of caring for older people who could not longer maintain their own home. We were trying to find more adequate approaches to the income protection of the rather large groups still under old age assistance as distinguished from old age and survivor's insurance.

The STAFF (reading). Would you give us some estimate of the progress made since that time, since the time you were at the Depart-

ment, and what your new goals for the elderly of this Nation would be if you were named as Secretary of Health, Education, and Welfare?

Mr. RICHARDSON. Well, there has been, of course, a great deal of progress through the medicare program in health insurance coverage and through the encouragement of extended health care facilities; and the Administration on Aging has, of course, developed a wider range of programs and has greater staff depth than we had 12 years ago.

As far as goals are concerned, I will, of course, want to give this high priority attention, but my primary objective will be to find ways of giving greater dignity and respect to age in the way in which we approach the administration's programs and services.

The STAFF. (reading). When the Congress enacted the Older American Act of 1965 it established an Administration on Aging which, we thought, would have direct access to the Secretary. We envisioned an agency with the visibility of, let's say, the Social Security Administration. But within recent years AOA has been made a unit in the Social and Rehabilitation Service.

Does this action, in your opinion, downgrade the Administration on Aging?

Do you believe that a review of the role of the Administration on Aging is needed in advance of the White House Conference on Aging in 1971?

Mr. RICHARDSON. This is a question I will want to give very careful thought to if I should be confirmed to the office.

The STAFF. (reading). Speaking of the White House Conference on Aging, the Senate Special Committee on Aging has been warned that plans for that Conference seem to be far less advanced than were the plans for the 1961 Conference at a similar point in time 10 years ago. Furthermore, only \$25,000 is now budgeted for the Conference.

What priority will you give to planning for this White House Conference on Aging, now less than 18 months away? What goals will you set for it?

Mr. RICHARDSON. I will at a very early date want to get together with Mr. John Martin who heads the planning for the White House Conference and catch up with the status of his plan and assure him that I stand ready to give full support and whatever assistance the Department of Health, Education, and Welfare can provide.

The STAFF. (reading). Reference is made to the latest annual report of the Special Committee on Aging. On pages 10 and 11 several expressions of my personal concern; that is, Senator Harrison Williams' personal concern, about statement attributed to high ranking officials within HEW about Federal expenditures for older Americans. The thrust of these administration statements seem to be that less should be spent upon the elderly and more in favor of the young.

Do you agree with this either-or proposals?

Mr. RICHARDSON. No, I do not. I think we have to do our best within the resources available to us to meet the needs of both.

The STAFF. (reading). On April 24, the Washington Post quoted Secretary Finch as saying that the Federal Government spends too much upon the elderly. Do you agree with this view?

Mr. RICHARDSON. No. I would be surprised if this report accurately reflected Mr. Finch's views, in the first place, and in any case the needs are almost indefinite. The problem is choosing among unmet needs those which deserve the highest priority.

The STAFF (reading). What are your views concerning the social security bill passed by the House of Representatives last month?

Do you believe that a 5-percent across-the-board increase will be sufficient?

Do you believe that minimum benefits should be raised?

Do you favor an automatic cost-of-living adjustment mechanism now, or do you believe that we should first increase the general benefits to more realistic levels?

Mr. RICHARDSON. I haven't had an adequate opportunity to study the bill, but in general I think that what has been done is sound. I think a 5-percent increase on top of last year's 15-percent increase will bring benefits to adequate levels in general.

As to the minimum benefits, I lack sufficient information to answer.

With respect to cost-of-living adjustments, this seems to me in principle a good idea.

The STAFF (reading). What are your recommendations for medicare coverage of certain out-of-hospital prescription drugs?

Mr. RICHARDSON. The last contact I had with this subject is several years old now, when I was Lieutenant Governor, and I would have to look into the question in order to be able to reply.

The STAFF (reading). Last year the Congress authorized \$5 million for a program to be administered by the Administration on Aging, called the retired senior volunteer program. It would provide out-of-pocket expenses for volunteers in much needed community service programs but the Administration made no request for funding this program this year.

Do you agree or disagree with this decision?

Mr. RICHARDSON. Well, of course, I think the concept is a very constructive one. I have had some familiarity with a volunteer program along similar lines in Massachusetts and I think that it has done a great deal of good.

As to the question of what funds are needed or whether funds are needed, I have no information sufficient to answer.

The STAFF. This next question comes through the office of Senator Magnuson. (Reading). We have heard a great deal of rhetoric about the urgent need to expand enrollment in medical, dental and nursing schools and to increase qualified faculties for those schools.

Is that a goal you endorse?

Mr. RICHARDSON. Yes. In fact, that is a goal I was working for the last time I was at HEW.

The STAFF (reading). How do you intend to go about insuring the necessary expansion of enrollment and faculty?

Mr. RICHARDSON. This is a question that will take a lot more thought and information than I have had a chance to give it up to the moment. It involves a whole set of interrelated problems ranging from the duration of medical education to the point at which it begins after high school. It involves the question of utilizing the facilities and resources of colleges and universities outside the medical school structure itself. It involves questions of the stage at which specialization begins and the period of clinical training, what additional financial assistance

needs to be made available to potential or actual medical students, opportunities to expand faculties, as well as the question of what additional Federal assistance is required for bricks and mortar.

The STAFF. These next questions were requested by Senator Stennis (reading):

Mr. Richardson, on April 27, I made specific inquiries of your predecessor concerning certain school desegregation matters. He replied by letter dated May 15. I should like to indicate the substance of some of his replies and ascertain your views on these subjects.

He indicated that title VI enforcement activity under the Office of Civil Rights will continue to shift to States outside the South; that in fiscal year 1970 and fiscal year 1971 there will be more professional staff members working in the 33 Northern, Western, and Eastern States than in the 17 Southern and border States.

Do you intend to continue this policy?

Mr. RICHARDSON. Yes, sir; I do.

The STAFF (reading). He indicated that the Department intends to broaden, geographically, onsite compliance reviews of school districts, under the Office of Civil Rights.

Is it your intention to continue this effort to make more actual surveys rather than accepting pro forma compliance assurances?

Mr. RICHARDSON. Yes.

The STAFF (reading). He indicated his intention to maintain two approximately equal education units in the Office of General Counsel, one for southern and one for northern areas, to support the shift in emphasis by the Office for Civil Rights.

Do you contemplate changing this assignment?

Mr. RICHARDSON. Certainly not immediately. But the question whether there should be two separate offices is one that I will want to reexamine.

The STAFF (reading). He indicated an intent to provide the Senate Appropriations Committee with up-to-date school survey figures which would reflect the changes in desegregation in the South and border States during the 1969-70 school term, including the changes made as a result of court orders during the school year, together with comparable figures from other areas.

Will you provide the committee this information in a timely manner?

Mr. RICHARDSON. I would be glad to do so.

The STAFF (reading). I should like now to ascertain your views, as the designee for the Cabinet post responsible for education, by some questions of a more general nature.

Do you believe that in dealing with conditions of segregation by race in public schools there should be a single national policy applicable everywhere?

Mr. RICHARDSON. I believe that certain fundamental principles should guide our approach to the problem everywhere throughout the country. On the other hand, I recognize that the solution of particular aspects of the problem in given local situations will require the ap-

plication of the techniques and approaches best suited to those local situations.

The STAFF (reading). It will be necessary for you to provide guidance to your HEW personnel in their desegregation efforts.

Will you tell me your definition of a unitary school system?

Mr. RICHARDSON. This is a term unfamiliar to me, Senator, and I will have to first find out how it is currently used and then give you my views as to its application.

The STAFF (reading). Do you believe in the desirability of the neighborhood school system?

Mr. RICHARDSON. Yes.

The STAFF (reading). Once deliberate segregation is eliminated, do you then advocate establishing a racial balance in schools?

Mr. RICHARDSON. I believe that progress toward racial balance in schools is in the interest of improving the quality of education for all races.

The STAFF (reading). In the situation where a school district has been found to be in compliance with a court order or HEW plan, and then because of housing patterns or other community changes, tends to resegregate, what is your view as to HEW's responsibility with respect to the resegregation?

Mr. RICHARDSON. On the premise stated in the question, namely, that segregation has developed out of conditions that are not the product of official actions, I would conclude that the HEW role would be no greater or less than it is any other situation of de facto segregation.

The STAFF (reading). Would you indicate wherein, in your view, this situation would differ from a de facto situation in Cleveland or Philadelphia?

Mr. RICHARDSON. Again, on the premise stated, I do not think it would differ.

The STAFF (reading). A recent Department of Justice report anticipates that "Provided present actions are successful," by next September 97 percent of Negro children in the 11 States of the Deep South will attend desegregated schools. In this event, what then would you view as the primary mission of the HEW enforcement personnel?

Mr. RICHARDSON. It is not clear to me that even now the personnel of the Office for Civil Rights should be regarded as enforcement personnel is distinguished from people whose responsibility it is to assist in the furtherance of desegregation programs. In any case, their role after next fall in those States will be primarily one of providing assistance and guidance in the implementation of desegregation plans.

The STAFF (reading). Should desegregation goals be established for Northern and Western schools?

Mr. RICHARDSON. This is in my view a desirable objective for Northern and Western school systems, although since the desegregation problems in issue are often de facto rather than de jure, they are not always goals for which the Federal Government has a direct role.

The STAFF (reading). In the decision on *Brown v. the Board of Education*, in 1954, the statement was made:

We come then to the question presented: Does segregation of children in public schools solely on the basis of race, even though the physical facilities and other "tangible" factors may be equal, deprive the children of the minority group of equal educational opportunities? We believe that it does.

Would you not think that if this is true in, say, Florida, it is also true in New York?

Mr. RICHARDSON. I think so far as educational consequences are concerned, certainly there is no difference between segregation brought about by housing patterns, for example, and segregated education which is the result of official action.

The STAFF (reading). Can you give us your ideas on what might be done about the massive segregation that exists in Northern cities?

Mr. RICHARDSON. The problem in the first instance depends on the size of the city and the practicability of redrawing school district lines so as to bring about some measure of desegregation. In that respect the situation is quite different in Boston from that in Chicago or Detroit. To the extent that redrawing of district lines or other related measure are not capable of bringing about desegregation, there needs to be, in my view, some program designed to bring about contact between children of different races through other means.

The STAFF (reading). Finally, what do you think would be the general public reaction if the same desegregation rules that are used in Atlanta and Memphis were used in Detroit, Cleveland, Philadelphia, and elsewhere?

Mr. RICHARDSON. This is a matter on which I find it difficult to speculate. In any case, it seems to me that the people in school districts outside of the South, where segregation is often the result of housing patterns and other social factors, should be seriously concerned with developing measures that can overcome the effect of these patterns.

The STAFF. Thank you very much, Mr. Secretary.

(Whereupon, at 10 o'clock a.m., the meeting with the staff was concluded and the Secretary-designate was invited into the executive session of the committee, where the following exchange took place:)

EXECUTIVE SESSION

The CHAIRMAN. Do any of you have questions you would like to ask the Secretary?

Senator WILLIAMS. No. I do not have any questions. You were questioned yesterday.

But just to keep the record straight, I understand you filed your trust agreement with the Foreign Relations Committee and I wonder if you would also file a copy of that with this committee.

Mr. RICHARDSON. Yes, Senator Williams. I do not know whether I have done it yet but I will do it in any case later today or Monday.

I have had two amendments made in the trust, one which changes language covering the duration of the trust. It had referred to duration of my service in the Department of State. This, we would change to refer to the Department of HEW. And then, I think in another place it refers to the Senate Committee on Foreign Relations and that would be changed to refer to the Senate Committee on Finance.

Senator ANDERSON. Technical changes.

The CHAIRMAN. Thank you very much, Mr. Secretary.

Senator Ribicoff just came in. Do you have any further questions you would like to ask of Secretary Richardson?

Senator RIBICOFF. No.

The CHAIRMAN. Mr. Secretary, if you will excuse us, I think we might be able to vote to confirm you right now.

Mr. RICHARDSON. Thank you very much.

(At this point the Secretary-designate left the Chamber.)

