



Young, unemployed blacks reflect frustration and resentment from the confines of a ghetto basement

COVER STORY

The American Underclass

Destitute and desperate in the land of plenty

"Pretty soon the lights won't have to go out for trouble to start."

—Cherry Crist, Miami welfare mother of six

"If the cities erupt again, we will find no safe place on either side of the barricades."

—James W. Compton, Chicago Urban League director

The barricades are seen only fleetingly by most middle-class Americans as they rush by, in their cars or commuter trains—doors locked, windows closed, moving fast. But out there is a different world, a place of pock-marked streets, gutted tenements and broken hopes. Affluent people know little about this world, except when despair makes it erupt explosively onto Page One or the 7 o'clock news. Behind its crumbling walls lives a large group of people who are more intractable, more socially alien and more hostile than almost anyone had imagined. They are the unreachable: the American underclass.

The term itself is shocking to striving, mobile America. Long used in class-

ridden Europe, then applied to the U.S. by Swedish Economist Gunnar Myrdal and other intellectuals in the 1960s, it has become a rather common description of people who are seen to be stuck, more or less permanently at the bottom.



Three generations on welfare. Discrimination's sad testament.

from the American dream. Though its members come from all races and live in many places, the underclass is made up mostly of impoverished urban blacks, who still suffer from the heritage of slavery and discrimination. The universe of the underclass is often a junk heap of rotting housing, broken furniture, crummy food, alcohol and drugs. The underclass has been doubly left behind: by the well-to-do majority and by the many blacks and Hispanics who have struggled up to the middle class, or who remain poor but can see a better day for themselves or their children. Its members are victims and victimizers in the culture of the street hustle, the quick fix, the rip-off and, not least, violent crime.

Their bleak environment nurtures values that are often at radical odds with those of the majority—even the majority of the poor. Thus the underclass minority produces a highly disproportionate number of the nation's juvenile delinquents, school dropouts, drug addicts and welfare mothers, and much of the adult crime, family disruption, urban decay and demand for social expenditures. Says Monsignor Geno Baroni, an assistant sec-



Nowhere to go, an elderly woman surveys the litter of her inner-city surroundings from atop a trash can

Secretary of Housing and Urban Development: "The underclass presents our most dangerous crisis, more dangerous than the Depression of 1929, and more complex."

Rampaging members of the underclass carried out much of the orgy of looting and burning that swept New York's ghettos during the July blackout. (In all, 55% of the arrested looters were unemployed and 64% had been previously arrested for other offenses.) They are responsible for most of the youth crime that has spread like an epidemic through the nation (TIME cover, July 11). Certainly, most members of this subculture are not looters or arsonists or violent criminals. But the underclass is so totally disaffected from the system that many who would not themselves steal or burn or mug stand by while others do so, sometimes cheering them on. The underclass says Vernon Jordan, executive director of the National Urban League, "in a crisis feels no compulsion to abide by the rules of the game because they find that the normal rules do not apply to them."

That disaffection is doubly distressing because the nation is in its third year of a strong economic recovery, an advance that has created 6 million new jobs since the end of the 1973-75 recession. No fewer than 90.5 million Americans are now at work. The underclass remains a nucleus of psychological and material destitution despite 20 years of civil rights gains and 13 years of antipoverty programs that were only temporarily slowed, but never really hobbled, during the Nixon era. Tens of billions of dollars are spent every year by

the Federal Government, states and cities to eliminate drastic poverty. In addition, special hiring drives, private job-training programs, university scholarships and affirmative-action programs are aimed at aiding the motivated poor. Yet by most of society's measures—job prospects, housing, education, physical security—the underclass is hardly better off, and in some cases worse off, than before the War on Poverty.

The war, of course, has not been lost. The proportion of the nation officially listed as living in poverty has dropped since 1959 from 22% to 12%. One of America's great success sagas has been the rise

of many blacks to the secure middle class. Today 44% of black families earn \$10,000 or more a year. More than 45% of black high school graduates now go on to college. Though some discrimination persists, more and more nonwhites are seen in at least the junior management ranks of banks and corporations and government, where they are moving up.

But the new opportunities have splintered the nonwhite population. The brightest and most ambitious have rapidly risen, leaving the underclass farther and farther behind—and more and more angry. While the number of blacks earning more than \$10,000 is expanding and the number earning \$5,500 to \$10,000 is shrinking, almost a third of all black families are still below the poverty line, defined as \$5,500 for an urban family of four (only 8.9% of white families are below the line). Says Harvard Sociologist David Riesman: "The awareness that many blacks have been successful means that the underclass is more resentful and more defiant because its alibi isn't there."

Others echo those sentiments in gutter language. Says Naomi Chambers, a Detroit social worker, who is black: "Now that some black people have cars, dresses and shoes, there is jealousy. Jealousy can make me hate you and take what you have." Indeed, the blacks who looted during the New York blackout were totally nondiscriminatory, emptying out stores owned by blacks and whites alike. There is a strong feeling among social



High in hand, a glue-sniffer takes his ease. Alcohol, heroin also abound.

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A jobless man gazes through a shattered tenement window in one of the many abandoned dwellings in New York City slums.

experts and politicians, both black and white, that much the same rampage could have struck any U.S. city in similar circumstances—and that next time it will be worse.

Concerned officials from the White House to the humblest city hall are grappling with questions about the underclass. How big is it? Who is in it? What motivates its members? Most important, how can this minority within a minority be reduced?

For many of the deprived, poverty is a transitory condition that can—and will—be overcome by education, ambition or the sheer refusal to stay down. Similarly, most of the unemployed are only temporarily out of jobs; more than 86% have been unemployed for less than 26 weeks. But the underclass is made up of people who lack the schooling, skills and discipline to advance, and who have succumbed to helplessness—a feeling of being beaten.

Long-term unemployment is a factor in that. Many members of the underclass come from the ranks of the 1,061,000 workers who are listed as "discouraged" because they have given up even looking for jobs. To that number can be added the entrenched welfare mothers: at least 2.4 million have been enrolled for one year or longer. Then there are their many children, a few million kids who are growing up without a heritage of working skills or of employed society's values. In addition, many of the chronically unemployed in the 18-to-21 age group have had—and will have—a desperate time landing and keeping their first regular jobs. A portion of the 4.4 mil-

lion disabled who are receiving welfare also belong. Allowing for the overlaps in those groups, the underclass must number at least 7 million to 8 million Americans—perhaps even 10 million.

Though this subculture is predominantly black, many Hispanics and more than a few poor whites belong to the underclass. Among the most glaring subgroups: the Appalachian migrants to dilapidated neighborhoods of some cities, the Chicanos of the Los Angeles slums,



Washing at a neighborhood fire hydrant. Jealousy can make you hate.

the Puerto Ricans of Spanish Harlem. But the Hispanics appear to be moving ahead somewhat faster; 55% of the nation's blacks, vs. 49% of the Spanish-speaking minorities, still live in the mostly depressed areas of central cities. The black concentration in the cities seems fated to increase because the birth rate among blacks is 51% higher than among whites. There are other reasons for this continuing concentration: lingering discrimination on the part of the white majority, a crippling absence of education, training and opportunity among the black minority. Says Randolph Taylor, a Presbyterian minister who works among the underclass in Charlotte, N.C.: "How one feels about society depends on whether one thinks that door may some day open. The whites are generally staying with the system on the basis of hope."

It is the weakness of family structure, the presence of competing street values, and the lack of hope amidst affluence all around that make the American underclass unique among the world's poor peoples. Reports TIME Atlanta Bureau Chief Rudolph Rauch, who until recently was stationed in Latin America: "Almost anyone who has lived in or near the crowded *barrios* of South America knows that looting on the scale that occurred in New York could almost never happen there—and not because the army would be standing by to shoot looters. Family structure has not broken down in South America. Nor has the idea of a neighborhood. A child usually feels that he lives in both in a Latin American city. In a U.S. urban ghetto, he often belongs to neither."

TIME Chicago Correspondent Robert Wurmstedt, once a Peace Corps volun-

her reports: "The poverty in the black and Puerto Rican neighborhoods on the West Side of Chicago is worse than any poverty I saw in West Africa. The people there are guided by strong traditional values. They do not live in constant fear of violence, vermin and fire. You don't find the same sense of desperation and hopelessness you find in the American ghetto."

Hopelessness is a home in a fetid ghetto flat, where children make morbid sport of chasing cockroaches or dodging rats. There may never be hot water for bathing or a working bathtub to put it in—or any other functioning plumbing. Under these conditions, afflictions such as lead poisoning (from eating flaking paint) and severe influenza are common. Siblings often sleep together in the same bed, separated by a thin wall or a blanket from parents (though frequently there is no man around). Streets are unsafe to walk at night—and, often, so are halls. Nobody starves, but many people are malnourished on a diet of hot dogs, Twinkies, Fritos, soda pop and, in rare cases, whatever can be fished out of the garbage can. Alcoholism abounds; heroin is a favorite route of escape. Another road to fantasy is the TV set. On it dance the images of the good life in middle-class America, visions that inspire envy and frustration.

Strutting pimps and pushers, cutting a sharp swath with their broad brims and custom-made suits, are often the local heroes and the successful role models for the kids. Schooling is frequently a sick joke: teachers conduct holding operations in the classroom, while gang leaders instruct. Inordinate numbers of the black young drop out of school before graduation, landing on street corners unskilled, undisciplined and barely literate. Those who finish high school are not much better off. Says Richard McNish, director of a manpower training program in Los Angeles' Watts neighborhood: "Kids aren't required to produce to get a diploma. Nothing is required except to be cool and not try to kill the teacher. They don't know how to read and write."

Portraits from a gallery of despair: In Brooklyn's grimy Bedford-Stuyvesant ghetto, a welfare mother surveys her \$195-a-month tenement apartment, an unheated, vermin-ridden urban swamp. The bathroom ceiling and sink drip water on the cracked linoleum floor. There are no lights, no locks on the doors. Disheveled and 35, the woman has been on welfare ever since her five-year-old son was born. She joined in the looting during July's traumatic blackout, and calls the episode "convenient. We saw our chance and we took it." Now she also worries: "We don't have any place to shop any more."

In Boston, Ana C., a Hispanic and a mother of seven, speaks no English and has no marketable skills. She draws \$294 monthly from welfare. To this she adds the profits from selling heroin at \$30 a "spoon" (dose). Ana disapproves of the

drug, realizes that it is a major cause of street crime. Yet she rationalizes: "I didn't know how to put food on my table, buy clothes for the children and still pay my \$95 rent and the gas bills."

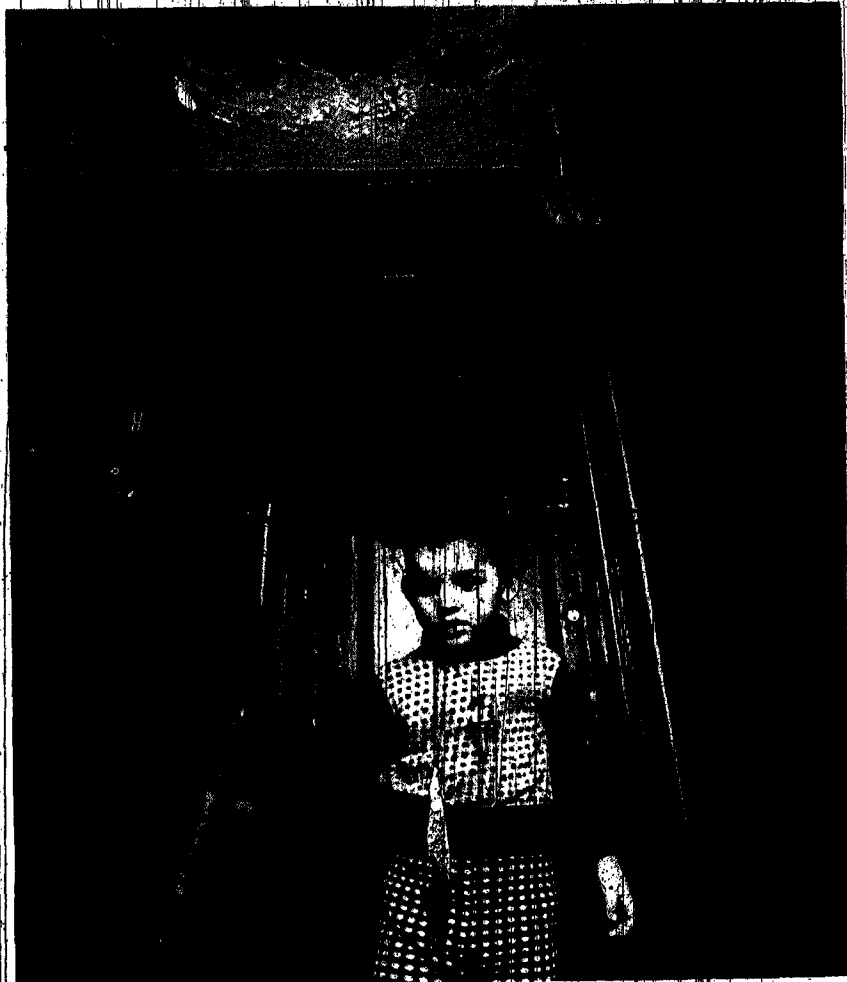
In Watts, a wine-sipping ex-con in his 30s keeps vigil on his doorstep, staring at a cluster of shabby apartments across the street. "I've been looking for a job since I got out of the penitentiary in 1974," he says in a monotone. "I tried to get a job in the CETA [Federal Comprehensive Employment and Training Act] program. They told me that if I don't have a telephone, I can't get one." He points at a chain-link fence around the neighboring apartments. "They put up those fences to show the people what they're getting ready for. They have two fences around the penitentiary."

In Harlem, Donald Williams, 29, an ex-junkie, scuffs the streets of New York City as a panhandler. A former student at North Carolina Central University, he says that he was thrown out because he took part in a student demonstration. Williams' lament: "My values are gone. You're looking at a weird dude, a dude on the borderline of insanity. Every day,

it doesn't seem to get better—only worse."

In Chicago, hundreds of unemployed young blacks mill on the street where Albirtha Young, 29, lives with her welfare-supported family—twelve people in all. "I didn't want to pick cotton all my life," she says, explaining her move to the city's West Side from Mississippi nine years ago. She brought two children North, now has four more—along with two left to her care by an aunt, plus two younger brothers and a sister to tend. The extended family lives in a two-story frame house bracketed by vacant lots, gutted houses and apartment buildings. Albirtha has not held a job since 1968. One reason: her wage would be less than her \$420.60 monthly welfare payment plus the \$298.80 she receives in Social Security survivors' benefits—and she would have to pay the cost of a baby sitter besides. Says she: "It's no easy job just sitting here from one year to the next doing nothing."

From everywhere in the ghetto comes the cry for more jobs. The unemployment rate among blacks is 13.2%, v. 6.1% among whites. The rate for black teenagers is 39%, v. 14.3% for whites. A generation of young people is moving into its 20s—the family-forming years—without



Hispanic child below a gaping hole in her parents' apartment building. Hardly better off than before the War on Poverty, and in some cases worse off.

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knowing how to work, since many have never held jobs.

To those who did have jobs, the 1973-75 recession was a severe blow. During its worst months, nonwhites were laid off at nearly twice the rate of whites (the unemployment rate for blacks grew from 10.4% in 1974 to 14.7% in 1975), and since then blacks have been called back to work more slowly. Consequently, some people who had begun to struggle out of the underclass were abruptly thrown back. The underclass has been hurt by the flight of manufacturing firms—many requiring only semiskilled or even unskilled labor—to the suburbs and the Sunbelt. Since 1969, Chicago has lost 212,000 jobs, while its suburbs have gained 220,000; in the same period, New York City has lost 650,000 jobs. From 1970 to 1975, 248 manufacturing plants left Detroit, including branches of the 16 biggest local companies.

"Poor blacks don't have mobility," says Roger Fox, an executive of the Chicago Urban League. "They just can't pick up and move on to where there are jobs." Among the many reasons: high rents in the suburbs (even compared with the extortionate sums charged by many slumlords), lack of cars and mass transit, and the resistance of many communities to low-income housing. Margie Figueroa, 21,

typifies the problem. She had to commute two hours each way, on three buses and a train, from Chicago's Humboldt Park *barrio* to her job as a maid at the Hyatt Regency Hotel near O'Hare International Airport. The effort was too much; she quit, and remains unemployed.

By default, the underclass economy is a welfare economy. Nonwhites received 37% of the \$11.4 billion in federal and state welfare payments last year. Blacks make up no less than 44.3% of enrollees in the \$10.3 billion Aid to Families with Dependent Children program (AFDC)—1.5 million welfare mothers.

Welfare dependency means that for many members of the underclass, the concepts of income and jobs are barely related, if at all. Says Michael Lemmons, 17, who is earning \$2.50 an hour this summer as a janitor's assistant in a Watts federal manpower program: "If you keep giving people stuff, that's why they loot when the lights go out. Working is out of their minds. They think everything must be taken."

For many women in the underclass, welfare has turned illegitimate pregnancy into a virtual career. Says Barbara Wright, a welfare mother of four in Brooklyn: "A lot of young girls in the ghetto believe

that the only way for them to get something in this society is by becoming pregnant and getting on welfare." One Harlem hustler makes the all-too-typical rationalization: "Everybody steals. Politicians steal. What's the use to bust my ass from 9 to 5 to get \$100 a week?"

Of course, not everyone feels that way. In Harlem, hundreds of youths besieged city manpower offices to sign on as cleaners-up (at \$30 a day) after last month's looting episode. In Chicago, nearly 2,000 applicants, most of them black teen-agers, lined up last month to apply for some 300 jobs at a new South Side supermarket.

More jobs, of course, are the most obvious need of the underclass—not only economically, but also psychologically and culturally. In the world's most achievement-oriented society, work is more than a source of income. It is also a source of status and self-esteem, a point of identification with the system, and a second social environment, which aids in diffusing the accumulated tensions of day-to-day life. Says Stanford University Historian Clay Carson, a black: "Permanency of jobs, stability in an economic situation, is important. Even if someone is only a janitor, his job still means stability." On the basis of studies, he adds: "Typically, those who can get established with a job in an urban environment can pass this stability on to their kids. Those who can't are likely to pass on more than just poverty. They also transmit poor educational opportunities and a sense of hopelessness."

In attacking the basic problem of job creation, the first sound step is to recognize that the Government cannot and should not try to do it all. Given the public's dismay with inflation and high taxes, there is nothing close to the political consensus that would be needed to support liberal cries for massive job programs or a "Marshall Plan for the cities." Despite some successes, Lyndon Johnson's War on Poverty is too well remembered as one in which benefits often trickled up to the so-called poverticians—the programmers, social workers and suppliers to the needy. Any massive program to stimulate the whole economy, in an attempt to bring down unemployment rapidly, would only give a rocket boost to inflation. The primary victim would be the underclass.

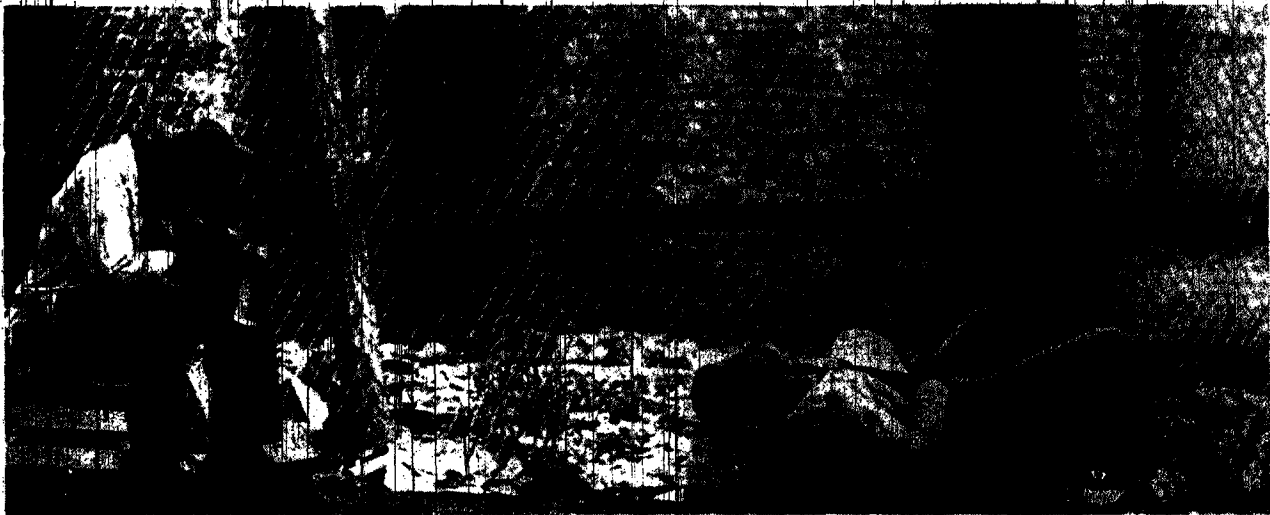
There is no all-embracing solution, at any price, for the complex malaise of the underclass. It would be more realistic—and much less inflationary—to press for a mix of endeavors, in which the Government would reorder some social spending and new efforts would be made by private business and by members of the underclass themselves.

A most crying long-range need is to improve public education. As the poorest of the poor have inundated inner-city schools, it has been easier for educators



Children romp in rubble on Manhattan's Lower East Side. A junk heap of rotting housing and crummy food.

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Down and out on a bleak inner-city street in Harlem, two men take dispirited refuge in whiskey and sleep on a summer afternoon.

A need to lower the barriers confronting the urban underclass—but the Government cannot do it all.

to concede the trappings of success—passing grades, graduating diplomas—than to teach the skills necessary for living and working. Ghetto school officials need to enforce their lax truancy rules, putting more pressure on parents to insist that their children attend, and need to concentrate rigorously on the reading, writing and math skills required to get ahead in an advanced industrial society.

One effective program is New York City's Auxiliary Services for High Schools. Started in 1969 by Educator Seymour Weissman, it is aimed at hard-core dropouts, problem students and those suspended from the school system, who become disillusioned out on the streets and volunteer to return to school. Most are age 16 to 21. Says Weissman: "The traditional high school has gym, music education, sex education. But for our kids, it is more important to learn the real basics of math and reading." Students learn at their own pace and are not promoted unless they are qualified. Discipline is strict, work is closely supervised, but at the same time an important goal is to instill self-reliant attitudes. Says Julian Washington, the program's assistant coordinator: "A lot of the youngsters, especially blacks, have a negative self-image. We try to make them believe in self-esteem and in getting a new and positive image of themselves." Some 14,000 students participate in the program each year, and about 2,000 pass the New York State high school equivalency test; better than 70% of these former dropouts go on to college. Though small in national terms, the program could be successfully expanded and imitated elsewhere.

The underclass would also be better served by tougher law enforcement in the ghettos and swift and sure justice for offenders. Some of the reasons: 1) to suppress the near anarchic violence on many ghetto streets that terrorizes underclass members and leads some of their young-

sters to believe that they too can be a law unto themselves; 2) to give the law-abiding poor a better chance in their increasingly hostile environment; 3) to motivate businessmen to return to the inner city. Local governments also have to work harder to recruit minority members for their police forces so that the cops are not viewed as occupying armies but as servants of the vast majority of law-abiding citizens in the underclass. The cost—for more police, judges and jails—will be high. But a serious attack on ghetto crime will drive a wedge between the poor who are struggling to get ahead and those who are preying upon them.

There is also a great need to tear down, or at least lower, the many barriers to employment that confront the unskilled, the unlettered and the immobile. One obvious bar is the overly strict and exclusionary union apprenticeship rules. They should be relaxed—despite the howls certain to come from trade unionists.

A still more controversial barrier to employment is the minimum-wage law. Now \$2.30 an hour, the minimum will probably be raised by Congress to \$2.65 next year and around \$3.15 by 1980. Of course, the talents of many members of the underclass—particularly the unskilled young—are not worth that much off the street. Employers would rather hire someone who shows more evident promise of further promotion—or not hire at all. The minimum wage, says Sociologist Riesman, is the product of "an alliance of the better situated labor unions with the liberals against the deprived and the elderly, whom people would otherwise employ for household or for city work that now doesn't get done." Adds Stanford University Labor Economist Thomas Sowell, a black: "Talk about people being unemployable is just so much rubbish. Everybody is unemployable at one wage rate,

and everybody is employable at another." Perhaps not quite everybody. In a free economy, there will always be some small fraction of people who lack the skills or discipline to work. But there is a lot of work that needs doing—cleaning up parks, repairing abandoned buildings, taking part in the burgeoning service trades—at reasonable wages.

Congress has been considering a proposal to reduce the minimum wage for all teen-agers to 75% of the adult minimum, but that might just inspire employers to hire well-schooled middle-class youth at the expense of older workers. A better compromise, suggested by Harvard Economist Martin Feldstein, would be for the Government to subsidize minimum-wage payments to the youthful unemployed. Directed specifically to the underclass, the program would allow businessmen to pay a fraction of the cost for jobs that they might otherwise refuse to fill. Another wise Government investment would be to shift some federal funds to more and better mass transit, which, beyond all its benefits to the environment, would give the underclass access to all the new job opportunities in the suburbs.

Without increasing the federal budget, the Government might sensibly redirect some of its stimulative spending—a bit less for the booming Sunbelt, a bit more for the Northern and Midwestern states, where the urban underclass is concentrated. In 1975, for every tax dollar sent to Washington from the Midwestern states, 76¢ returned; the Northeastern states got back 80¢; but the South collected \$1.14 and the West \$1.29. One reason for the disparity is that many corporations have their headquarters in the Northeast and Midwest, from which they pay taxes based on their total national sales. But there are other factors, including the success of persuasive Southern and Western Congressmen in winning defense funds

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and pork-barrel projects for the folks back home.

President Carter has struck to the root of one debilitating problem by proposing his "pro-family, pro-work" welfare reform bill, which aims to get people off the dole and encourage them to work (TIME, Aug. 15). By offering cash grants to the so-called working poor, it encourages underclass fathers to stay in the home instead of leaving so that their families can collect welfare. The plan offers tax incentives for those who find jobs in the private sector instead of public service. For those who cannot, it proposes to create

1.4 million positions in training programs and in service jobs such as assisting teachers, providing child care, controlling rats and escorting the aged in high-crime areas. In all, the tax incentives and jobs provisions would cost \$13.2 billion—and raise the Federal Government's overall welfare bill (now including cash payments, food stamps, etc.) from \$28.9 billion to at least \$30.7 billion. The change seems well worth the price.

The Federal Government this year will also spend about \$13 billion on a bewildering variety of employment and training programs that will benefit an es-

timated 6 million people. Washington finances, among other things, 725,000 public service jobs in state and local governments, public works construction in depressed areas and Job Corps residential training centers. Some programs are merely cosmetic; for example, the Administration's summer-job projects for 1.8 million kids are designed mainly to keep them off the streets during vacation.

With costs per participant that range from \$600 to \$4,000, the training programs have been widely criticized as boondoggles, although the Congressional Budget Office concluded this year that

When Tenants Take Over

Give people in the underclass the chance to run the aging tenements and public projects in which they live, and they might turn their wretched housing into relatively pleasant homes. Such is the lesson of five mammoth public housing complexes. All are in St. Louis' blighted neighborhoods of abandoned shops and factories and acres of rubble bulldozed in the name of urban renewal. "It looks like a war was held here," says Richard Baron, an attorney and public housing tenants' consultant. But by now some ghetto dwellers can claim a measure of tactical success, if not long-range victory over their environment.

A pilot tenant management program for the five projects—which contain 2,699 units sheltering 8,113 people, mostly welfare recipients—was born four years ago almost literally in the ashes of defeat. The city had dynamited to the ground every building in the near north side's Pruitt-Igoe project, nicknamed "the monster." There was no other escape from a pattern of violence and destruction that had driven out most of the project's inhabitants. The picture was almost as bad at neighboring Carr Square, a 658-unit town-house complex built 35 years ago. "The whole thing was a hellhole," says City Housing Director Tom Costello, summarizing the drug trafficking, shootings and knifings, petty thievery and filth in the sidewalks. "It was bordering on complete chaos. If we hadn't done something we would have had a whole city full of Pruitt-Igoes."

But something indeed was done. Tenant leaders, veterans of a nine-month rent strike in 1968 and 1969, asked the city housing authority to let them manage Carr Square and four other problem projects—three on the near south side. An agreement was struck allowing tenants to elect boards of directors for independent tenant management corporations in each complex. The boards in turn selected full-time managers—all project residents—and assumed responsibility for renting apartments, pressing tenants for late payments, fielding complaints, making repairs and even running tenant security patrols. The Ford Foundation contributed \$130,000 to

begin training managers of two of the projects and by now has put up \$500,000 for all five. The city housing authority pays the tenant managers and their small staffs a modest total of \$258,600 annually. It also pays for maintenance and utilities, just as it did before the start of the tenant management system.

Carr Square, home for 1,698 people, seems to bear out the potential of the tenant management concept. The manager, Loretta Hall, who had previously worked for an open housing program in the city, and her staff have created some semblance of order and tranquility. Reports TIME Correspondent Anne Constable: "Tiny gardens blossom with brightly colored zinnias. Exteriors of the crumbling buildings have been refurbished, windows replaced, kitchens modernized, grass planted and wooden fencing built to increase privacy."

The management corporation organized a day care center for preschool children—essential for a project in which 189 families are headed by women. For the benefit of elderly shut-ins, a home care service hires teen-age girls to deliver meals and do household chores. "I love it," says Susie Humphreys, 66, "because here they treat you like a human being, and they talk to you in words you can understand." Adds Richard Henderson: "You can always call and get the tenant manager at night if something goes wrong."

Not everyone is entirely happy. Teen-agers complain of not enough to do after school, and few of the aged dare walk the streets at night. Nonetheless, crime in the Carr Square area fell from 319 major offenses (murders, rapes, burglaries and armed robberies) in 1969 to 146 last year. Such incidents in the other four projects declined from 973 to 272 in the same period.

What has happened is so encouraging that Attorney Baron is convinced that "the only way low-income communities can ever pull themselves together is when people inside them decide to do it on their own." HUD and the Ford Foundation last year opened similar projects in Jersey City, Louisville, New Haven, New Orleans, Oklahoma City and Rochester. Results are uneven so far, but the program may spread across the country.



Carr Square youths keeping up appearances in the project

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graduates boost their annual incomes by 5% to 15%. Most of the programs are administered without close federal supervision by 446 local governments, and Washington knows little about their effectiveness. Says Sam Levitan, director of George Washington University's Center for Social Policy Studies: "You end up throwing money away without anyone really knowing what is going to happen." At their best, the federal programs have room for only a fraction of the underclass, and most are designed for fairly experienced workers or the motivated poor.

The programs would work better if private business had a bigger voice in designing and managing them. Perhaps businessmen, who as a class are effective at solving problems and getting things done, could bid on projects to raze and rebuild sections of the underclass ghettos, providing shops, industries and services on a model—and ultimately profitmaking—basis. Business could also take over much of the job training now carried out in government centers under federal programs and probably do it better and cheaper and even profitably. Tax incentives, for example, could be designed to reward employers who hire the long-term unemployed and show results in upgrading their skills. Certainly, government-supported jobs of any kind are only a first, temporary step in lifting the underclass; the real solution is for members to get and hold private jobs.

To help prepare them for such jobs, government and private money have already come together in some encouraging projects. One of them, financed in part by the Ford Foundation and in part by the welfare payments of participants themselves, is Supported Work, which is aimed at longtime welfare mothers, ex-drug addicts and ex-convicts in 13 cities. Started in New York City in 1972, the program caught on in such cities as Atlanta and Oakland, Calif., and now enrolls 3,000 workers nationwide. It provides employment at about the minimum wage under rigid job discipline. After a year or so, managers help participants find private jobs.

A most successful Supported Work project is the \$4.3 million Maverick Corp., which runs a tire-recapping operation in Hartford, Conn. Maverick employs 350 ghetto dwellers, including 100 people age 17 to 20. Typically, a worker is offered \$2.50 an hour, and told that whoever shows up punctually will get \$2.67 instead. Anyone who is so much as one minute late loses the bonus for the entire week. Morale is high, and last year 85 workers moved on to private jobs. Says Maverick President Dan MacKinnon: "Of that group, 25% have lost their jobs. That doesn't make me feel very good, but one thing I'm sure of is that 100% of them would not even have got their foot in the door had they not built



Woman in the crumbling, primitive bathroom of her unheated apartment. Finding that the normal rules of the game do not apply.

up a work record with Maverick." Another program partially bankrolled by private money is tenant management, in which residents, after receiving training, take charge of public housing projects and work actively to provide themselves with a better living environment (see box). The performance in seven cities is spotty, but the results are a definite improvement over the dismal record of many other subsidized housing communities.

More black leaders are beginning to make the point that in spite of the continuing racism that is still a barrier to opportunities, the underclass must help itself out of its morass. In his pulpit style, Chicago's the Rev. Jesse Jackson, head of the Operation PUSH self-help group, says: "It is bad to be in the slum, but it is worse when the slum is in you. The spiritual slum is the ultimate tragedy. The victimizer is responsible for us being down, but the victim is responsible for us getting up." Jackson has called for neighborhood volunteers to replace police in patrolling ghetto schools and street corners, has launched a drive for black parents to monitor strictly their children's homework and schooling, and

has urged that voter registration cards be handed to each high school graduate along with a diploma. Says he: "Nobody will save us from us but us."

Nothing has yet replaced individual incentive in U.S. society, and nothing ever will. But more than a century ago, Nathaniel Hawthorne observed: "In this republican country, amid the fluctuating waves of social life, somebody is always at the drowning point." Ever since then, successive generations of aspiring Americans have lifted themselves well above that despairing level.

The underclass will find that harder to do, given its painful heritage. Encouraging incentive in the underclass and overcoming the barriers of racism, could take just five or ten years; more likely the tasks will require a generation or more. The entire society—business, government and ordinary citizens—will have to chip away at the problems. The alternative to progress would be more desperation, hostility, violence and disaffection within the underclass. That is something even the world's wealthiest country would find difficult to afford. ■