# **History of Community Action Agencies**



### **Background**

From the days of the earliest settlers, the spirit of helping others has been a key element of American society. As communities sprang up populations grew, the church became an important social institution and helpmate to those less fortunate.

The Industrial Revolution in the mid-1800's witnessed the development of the settlement house, one of the early examples of a physical facility, other than a church, that served as a center of activity for community problem-solving.

In the early 1900's, schools began to offer formal training in the principles and methods of social work, which led to the birth of a new profession. The Great Depression of the 1930's overwhelmed the nation's communities, leaving churches and voluntary social welfare programs unable to cope with the magnitude of the existing social problems.

The federal government stepped in to provide additional retirement income through a new Social Security Program and to assist those temporarily unemployed with the Unemployment Insurance System. It created new banking and labor laws to strengthen the economy. A program to provide "temporary public assistance" to widows and children of men killed in industrial accidents also was created. Social workers were hired to determine

eligibility, advise recipients about how to use the money, and help them obtain services necessary to get them off welfare.

From the 1900's to the late 1950's, state local governments had much of the responsibility for administering the programs created during the Depression.

As the communications media expanded their scope across the United States, the American public became more aware of the problems of the aged, the effects of segregation, of poor education, of health problems caused by malnutrition and hunger, of the need to educate people so they might work, and of the growing difficulties of the low-income population.

The American public soon believed that everyone could live "the good life" and that society as a whole had a responsibility for helping people overcome barriers that prevented them from sharing in the benefits of American society.

The U.S. Supreme Court decision in 1954 in *Brown vs. Board of Education* declared that separate schools for blacks and whites in Topeka, Kansas, did not provide an equal education: i.e., that "separate was not equal". This landmark decision led to an expansion of federal policymaking into what had previously been a local arena. That decision served as a catalyst in the area of publicly financed activity such as transportation and licensed public accommodations, including lunch counters, restaurants, and hotels. Citizens began to organize to guarantee their rights, and the Civil Rights Movement expanded rapidly.

In 1961, President John F. Kennedy's "New Frontier" included support for programs to prevent juvenile delinquency with the focal point, the President's Council on Juvenile Delinquency, chaired by U.S. Attorney General Robert Kennedy. In New York City, the President's Council funded Mobilization for Youth (MFY) with the Ford Foundation and the City of New York. MFY organized and coordinated neighborhood councils composed of local officials, service providers, and neighbors to develop plans to correct conditions which led to juvenile delinquency. It also enlisted the aid of school board and city council members to implement those plans.

It was called "COMMUNITY ACTION", and it looked like an effective and inexpensive way to solve problems.

The Ford Foundation was funding other projects, including one in New Haven, Connecticut, which recruited people from all sectors of the community to come together to plan and implement programs to help low-income people. MFY and New Haven are often cited as the "models" for a community action agency.

## Creation: 1964

After the assassination of President Kennedy in November 1963, President Lyndon Baines Johnson expanded the policy ideas initiated in the Kennedy Administration. In his message to Congress on January 8, 1964, President Johnson said:

Let us carry forward the plans and programs of John F. Kennedy, not because of our sorrow or sympathy, but because they are right...This Administration today, here and now declares an unconditional War On Poverty in America...Our joint Federal-local effort must pursue poverty, pursue it wherever it exists. In city slums, in small towns, in sharecroppers' shacks, or in migrant worker camps, on Indian reservations, among whites as well as Negroes, among the young as well as the aged, in the boom towns and in the depressed areas.

The "War on Poverty" was born. In February, R. Sargent Shriver was asked to head a task force to draft legislation. In August, the Economic Opportunity Act of 1964 (EOA) was passed, creating a federal Office of Economic Opportunity (OEO) placed in the President's Executive Office. "Sarge" Shriver was named Director, serving until 1969.

Congress also passed the Civil Rights Act of 1964, guaranteeing equal opportunity for all. The Economic Opportunity Act, designed to implement that guarantee in the economic sector, stated in part: "It is therefore the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this nation by opening, to everyone, the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity."

The EOA included new education, employment and training, and work-experience programs such as the Job Corps, the Neighborhood Youth Corps, and Volunteers in Service to America (VISTA, the "domestic Peace Corps"). Congress bypassed the state and local

governments and provided for direct funding of community groups: the community action concept.

#### Formation Years: 1964-1967

The federal OEO was to lead the efforts of the War on Poverty and coordinate related programs of all other federal agencies. So-called community action agencies (CAA's) were created at the local level to fight the War on Poverty "at home".

The EOA also provided for the creation of of economic opportunity offices at the state level in order to involve governors in the War on Poverty. While governors were not authorized to give prior approval on OEO grants, they did retain the right to veto any of these they thought inappropriate. Many, especially those in the South, exercised this right, only to be checked by another EOA provision for veto override by the Director of the OEO. Indeed, Shriver overrode virtually all vetoes.

CAA's varied from grass-roots, community-controlled groups to those with experienced board members and a highly visible professional staff. Most were incorporated as private nonprofit organizations. A few were city agencies.

Funds were provided through the EOE. The local CAA's determined the use of the funds to meet the problems of the poor as they defined them. These were called "local initiative funds" and were used for a variety of purposes.

One provision of the EOA called for the poor to have "maximum feasible participation" in identifying problems and in developing solutions. Across the nation, CAA's opened neighborhood center in storefronts, housing projects, and other buildings in low-income areas to identify people who needed help and to determine eligibility.

A new group of community leaders developed out of these neighborhood organizations, voicing the concerns of the poor and insisting on change. The philosophy, the strength, and the personal commitments of community action were formed during this period. It was also during this phase that OEO hired 3,000 new federal employees to manage and monitor all the new programs. Most of these people came from the CAA's, civil rights groups, churches, labor unions, and other activist organizations.

The community action program grew rapidly and procured large amounts of federal funds into communities, leaving some local elected officials concerns over the control of the CAA boards. Unhappy with the new power blocks outside their own political organizations, a few big-city mayors communicated their concerns to Congress and President Johnson. As a result, congress began to earmark new funds into congressionally defined National Emphasis Programs that reduced the ability of the CAA's to use the funds for other purposes. The President's enthusiasm began to decline.

# Restructuring Phase: 1967-1968

In late 1967, Congress passed the Green Amendment, which required that a CAA must be designated as the official CAA for that area by local elected officials in order to operate in that community. After designation, EOE could then recognize the CAA and provide funds. After months of negotiations, over 95 percent of the existing CAA's were designated. In several large cities, the CAA was taken over by the mayor and turned into a public agency.

Congress also passed the Quie Amendment, which required that CAA boards of directors be composed of one-third elected officials appointed by them, at least one-third low-income representatives selected by a democratic process, and the balance from the private sector.

By 1968, there were 1,600 CAA's covering 2,300 of the nation's 3,300 counties. OEO also required many small, single-county CAA's to join together into multi-county units. By 1969, about 1,000 CAA's had been designated under the Green Amendment and recognized by OEO reorganized to meet the Quie Amendment criteria, and consolidated in accordance with OEO policy. Almost all of these CAA's are in existence today and operate the program.

These amendments had a positive effect on most CAA boards, though the issue of increasing the influence of local elected officials on the board of directors was a significant issue to the leaders of poverty groups which had been operating independently. The formal connection of the political, economic, and community power structures proved to be a tremendous strength. In many places, the CAA's board became the arena for local officials, the business sector, and the poor to reach agreement on the policies, self-help activities, and the programs to help the poor in their community.

## Transition Years: 1969-1974

By 1969, many successful self-help programs had been initiated by OEO and the community action agencies, including Heat Start, Family Planning, Community Health Centers, Legal Services, VISTA, Foster Grandparents, Economic Development, Neighborhood Centers, Summer Youth Programs, adult Basic Education, Senior Centers, Congregate Meal Preparation, and others.

Picking up on the concept of using OEO and CAA's as "innovators and the testing ground" for new programs, and spinning off successful programs to be administered by other federal agencies, President Richard Nixon's Administration saw the transfer of several large programs from OEO to the Department of Health, Education and Welfare and the Department of Labor. Along with the program went administrative oversight responsibility for a substantial part of CAA funding.

At the start of his second term in 1973, Nixon did not request any funds for OEO's Community Action Program division. Congress nevertheless provided funds. Nixon appointed Howard Phillips as Director of OEO and told him to dismantle and close the agency, and not to spend the money Congress provided.

After a series of lawsuits, the Federal District Court in Washington, D.C., ruled that the President could not refuse to spend funds that had been appropriated by Congress. Phillips resigned without having been confirmed by the State.

# Program Management Years: 1974-1981

Under President Gerald Ford, in 1974, the Community Services Amendments were passed. OEO was dismantled and a "new" Community Services Administration (CSA) replaced it. The employees remained and continued to administer the programs. Community Action had found a new home in the federal government.

From 1974 to 1981, CSA continued to fund CAA's. CAA's continued to help communities and neighborhoods to initiate self-help projects such as gardening, solar greenhouses, and housing rehabilitation. they additionally helped create and support federally funded senior

centers and congregate meal sites. Home weatherization and energy crisis programs were initiated in the 1970's.

In the late 1970's, under prodding from Congress, the Administration of President Jimmy Carter initiated a large-scale effort to strengthen the role and management systems of both CSA and the CAA's. This resurgence of "local" spirit and leadership came to a quick end with passage of the Omnibus Budget and Reconciliation Act of 1981.

In September 1981, Congress provided that all CAA's designated and recognized by CSA were eligible to be funded under the 90 percent pass-through requirement of the Community Services Block Grant. Congress also rescinded the EOA and the Green Amendment, eliminating the procedures and regulations for designation and recognition of CAA's.

#### **Block Grant Years: 1981-Present**

President Ronald Reagan's Administration began a strong movement to reduce substantial the federal government's support for domestic social programs. They proposed to block grants; to reduce the total amount of funding by 25 percent; and to delegate the responsibility for administering these block grants to the states.