

THE WHITE HOUSE

WASHINGTON

January 29, 1970

MEMORANDUM FOR

JOHN O. WILSON
ASSISTANT DIRECTOR
OFFICE OF PLANNING, RESEARCH AND
EVALUATION, OEO

The draft reply to the Ways and Means Committee Report on the FAP is a valiant but unavailing effort. As you say, on the key issue of what contributes to family break up "Hard evidence is... virtually nonexistent."

This circumstance didn't just happen. It was, in effect, made to happen by a sequence of research directors at OEO, and throughout the federal government, who went to endless pains to avoid supporting any enquiries into this central issue of poverty. Why? Figure it out for yourself.

A majority of the poor Negro children in America now live in female headed families. The AFDC explosion that first occurred in New York is now spreading. (California has more recipients now than New York.) A great Presidential initiative to transform the system is faltering and is in grievous trouble in part because it turns out the Executive Branch has not been doing anything to find out why all this is taking place.

OEO has spent a fortune -- repeat, a fortune -- in research on poverty. And has learned not one thing about this subject.

Two specific points.

1. If anything drives me up the wall it is statements such as that on page 3: "The personal alienation of the family head who

See WE 15

has successfully secured full-time employment and still cannot support his family adequately is incalculable." May I seriously ask you to send me any evidence you have to support such a statement, or, absent such evidence, explain just who wrote the sentence and what they thought they were doing. Seriously.

2. Much talk surrounds the Negative Income Tax project in New Jersey -- that favorite program of the economists who have lorded it over OEO research programs, which programs now turn out to have produced almost none of the information we need. Could someone brief me on this? I am particularly puzzled by the statement that "there is not evidence of precipitous decreases in work effort on the part of the recipients..." Is there evidence of non-precipitous decreases?

This is not meant to be as bad tempered as it might read. It is just that I hope we can use the combined opportunities of our utter inability to supply the House Committee on Ways and Means with information they might legitimately expect to get after putting up something like \$10,000,000,000 for OEO, plus your arrival on the scene, to reorient things a bit.

I would appreciate your showing this to Don Rumsfeld. Who was superb last evening.

Daniel P. Moynihan
Counsellor to the President