

Roger Starr: Move The People To The Jobs

The following are excerpts from an interview with Roger Starr, member of the New York Times editorial board and the former Housing Commissioner of New York City. Starr, who has connections to planning circles in both Lazard Freres and Rockefeller camps, is best known for his advocacy of the "planned shrinkage" of New York City by driving out some 2 to 3 million ghetto residents through a calculated policy of service cuts and aid cutoffs. Starr was originally consulted in the planning for Rockefeller's 1974-75 Project Independence scheme; his concept of massive relocation of urban poor to energy development sites was incorporated into the Project's planning.

Starr's views on relocation have been advocated in varying degrees by several members of the Lazard Freres grouping. His views on the "emptying of New York City" are reported to be the operational policy of the crowd behind the Moyoralty campaign of Lazard operative, Ed Koch.

Q: How would you describe current urban policy?

A: Taking an historical view, we never talked about the country having an urban problem before World War II. At the end of World War II, the cities needed to make a tremendous additional investment. Everyone assumed that ultimately it would pay off, and the federal government would benefit from having the cities adjusted to the needs of the second half of the 20th century. We had a tremendous growing population from the people who were displaced from the farms of America and they could be put to work in the cities if they (the cities) could be made more modern. That was urban renewal. But the program was totally undermined by the loss of the economic power of the cities. The jobs weren't there. They had disappeared at a rapidly increasing pace.

During the Johnson Administration, we began to hear about "poverty." You know, there were 15 years where you never heard about poverty. Then, all of the sudden, poverty was rediscovered and we had the Great Society programs which were intended to make the poor people in the city fit into industrialized society. But what had happened is the industrialized society went somewhere else and the poor people were left here without jobs.

Unless someone is willing to face the fact that the cities cannot be revived on the scale which we thought they were going to achieve in the late 1940s and 1950s and that industrial production has gone somewhere else and there are only certain kinds of jobs that can be in the cities because they are no longer industrial centers, then all we are going to do is support poor people in poverty, on federal stipends keeping them away from moving to other parts of the country.

Q: Are people willing to confront this in the Administration?

A: Well, the federal government's current role is "what can we do to take the pressure off us as quickly and cheaply as possible." The President says: "Do something to get the pressure off me." That winds up translating into: "Pump more money into the cities keeping the people where they are. The elected officials like that." But if you really want to do a job, then you have to ask yourself how do you get the poor people into the economic mainstream of American life. Then you have to look at where the mainstream is and you will find that it is now in much smaller cities and cities in different parts of the country. But the poor people are held here by the suction of the social programs that were created.

In New York and Massachusetts for example, people on welfare get much more than in other states and that keeps them here. You have to figure out some way to make it possible for these people to migrate to where the jobs are. You have to do some very basic thinking — which few people in Washington want to do — about what kinds of jobs there are going to be in the United States, where do you want them and how can you best invest capital and funds of the federal government in developing those industries which are going to give us the best results for America in the future.

Q: Doesn't what you are talking about involve a major restructuring of all political and economic constituencies. Particularly, doesn't this mean that you are going to eliminate the present constituencies of almost every black and minority Congressman by shipping them somewhere else?

A: That is exactly what we were trying to say in that editorial that we ran last week (which called for an urban policy which would support relocation of the poor — ed). Those black leaders who come to Washington to demand full employment and a national urban policy may be asking for two things which are incompatible. What they want is everybody to be kept exactly where they are in the cities so their constituencies would remain there and keep voting them back into Congress.

Q: What you are talking about is what you call "planned shrinkage" or what others have called "managed decline?"

A: Someone put this for me in a very concise fashion the other day. He asked me to tell him what the United States would be like today if in 1865, instead of opening the country widely to European immigration...we had really made a determined effort to use the black people of the U.S. to do the kind of work which we were then trying to recruit immigrants to do.

Now in a very important sense, we are facing something of the same problem. Now, instead of putting

the black men to work, we have put to work a large part of the female white population. What I am saying is that the economy of the southwest, the south and the booming parts of the American heartland is based on the employment of white women rather than black males. This is not recognized as racism, but it is... "Now what are we going to put the black males to work doing and where are the industries and what are the American needs of capital investment that we can put these people to work constructively." I am not a believer in "make work" jobs — to make the city more habitable. That depends entirely on federal charity.

One of the big things for us to exploit is natural resources, particularly fuel resources. We should look at that industry and ask ourselves what is it going to need to develop resources that have been uneconomic to develop up to now. In a large part they may be uneconomic because there may be huge labor requirements. But what the hell, instead of paying money for people to sit in the cities and do nothing, it would be much better to encourage them to move elsewhere and subsidize their work in those capital industries which we really have to develop now.

Q: What about Felix Rohatyn's program for an Energy Corporation for the Northeast (ENCONO) to fund the kinds of projects that you are talking about. His proposal, for example, speaks of solar energy development.

A: Solar energy. Blech! As far as I am concerned, there is only one great source of energy that is really worth developing, especially for the Northeast and that's atomic power.

You can see what it is like politically to try to develop atomic power. It is fascinating to me that there is such resistance to the development of atomic power from middle class and upper-middle class people. It is not working people who form the "Clamshell Alliance." They keep worrying about pollution and they talk about radioactive pollution, but I think they might be worried about racial pollution.

In an industrial society the only way to keep people busy is in industrial activity. The resistance to the development of atomic power seems to be closely connected to a kind of return to simpler America, a kind of America in which black people were in slavery and it was a country with great resources to be tapped. We are in a much more complex situation — for better or worse — and we seem to be resisting realizing that the attitudes towards technological development have a hell of a lot to do with the future of the cities.

Q: You seem to be talking a lot like Governor Rockefeller when he testified last week before the Senate Finance Committee asking for a revival of his "Project Independence." He stressed nuclear power.

A: I think that is the direction that we have to move...No one is discussing this thing in what I consider to be its most important aspects.

Q: Isn't anybody except Rockefeller thinking about urban policy, energy policy, and relocation.

A: I don't know anybody who is daring to look at this

thing...I don't say replace the private sector, but to understand the limits within which it must work and make governmental policy to enable it (the private sector) to work more efficiently.

Q: How would you do this? What would you want the Administration to do?

A: The whole notion of developing what Rockefeller calls "Project Independence" is of the utmost importance. If we are going to be independent of foreign fuel sources, we have to plan out an industrial development of energy in the U.S. That brings the problem to measurable proportions. We start thinking of what is going to be required and what are the forms of transportation and other forms of energy usage which we are going to permit within the configuration of an "energy independence" status — maybe not a 100 percent independence, but at least we won't be in morass we are in now where we are becoming more dependent on foreign energy sources every year.

Q: Do you feel that the Administration's energy program is adequate?

A: I think that it is puny and a bad joke. If you want to encourage the development of oil and gas resources, you have to allow prices to go up and then you can apply excess profits tax on the bottom line of the developers and you should subsidize poor people who simply can't afford the increased prices. The only way to increase your energy resources is to make it economically attractive to put capital in those kind of ventures.

Q: So I take it from those comments that you think that the Carter program stresses conservation too much?

A: Conservation is a bad joke. There is nothing more wasteful on a very large scale than the attempt to eliminate waste. Nothing cures waste quite so fast as increasing the cost of what it is that is being wasted. That is absolutely axiomatic.

Q: Would you go back to describing how you would construct what you referred to as a national energy development policy?

A: To the extent that we are going to be at least temporarily dependent on foreign fuel sources, — and this may cover a long time period — we have to be able to make exports to pay for what we have to import. What are the products that the U.S. makes that are attractive to foreign markets. You have to analyze what is to be done to make its exports more efficient and more effective so that it can pay for what it has to buy.

The energy profile of a new America and the export-import balance sheet will keep a small army of people occupied in planning for a long time. That is the beginning however of a real program. To start off at the other end in talking about urban policy and to say what we are going to do to save the U.S. is ass-backwards. You don't start out with a geographical locus instead...

Q: You speak of a policy to aid export-oriented industry. Which industries are you talking about precisely?

A: Well for starters I'm talking about the nuclear energy industry. I'm also talking about high-technology capital goods and electronics and the computer industry. I think we should include food and food processing as well. There are other industries, but now you have the basic idea. We have to give these people help, so that we can generate the capital we need to buy our energy. Eventually, we should be exporting other energy supplies, also.

Q: Are you for what has been referred to "oil-for-technology" deals with the Arabs?

A: Yes. The Arabs think that they are clever, that they can become some new kind of imperialist power, turning the United States into their fiefdom. But we can outsmart them. They might have oil, but they need our technology. I don't want these Arabs using their petro-dollars to buy equity positions in the U.S. capital markets. Let them pay for our technology or give us oil. After they run out of oil, they'll be begging us for help and it will be our turn once again.

Q: What about the Soviets and the East Bloc? How do you think they would respond to this type of program.

A: I don't trust the Soviets. I just don't like them at all. I am an unreconstituted cold warrior. I'm bad on this question, so I let other people, more temperate speak about it.

Q: How do you get the people in the cities jobs? Does the welfare system block this move?

A: The welfare system is devastating. It is corrupt. It is evil. But you can't, unfortunately, just cut it off because people would starve...The Administration's plan to put people to work is a little help. But I really think that we should let people relocate and have them carry their welfare with them for a little while. But welfare and jobs training and unemployment insurance should be coordinated so that people would be encouraged to improve their skills to make them employable.

Q: You seem to be talking about a manpower program along the lines suggested by Eli Ginzberg (the head of the National Commission on Manpower Policy — ed.)?

A: Yes, that's right.

Q: You, like Dr. Ginzberg, are not in favor of a program like Humphrey-Hawkins, correct?

A: Yes. I am not in favor of the "government as the employer of last resort." I don't think that we can afford

to waste money employing people for things that have no economic value. I am in favor of doing much to put people to work with respect to raw materials that we will need for the future. The oil situation is something that we can see in front of us, but there are similar shortages brewing.

Q: Mr. Rohatyn seems to be stressing regionalism, you and Mr. Rockefeller seem to be talking about a national — federal — policy. Is there a difference?

A: Yes. Felix is looking at things from the region a little too much. I think that the nation is in a very critical period. This nation became so rich because it had all the natural resources that it needed within its boundaries. We ultimately developed our manufacturing where we became a unique self-contained nation and we built up a fantastic industrial plan. Now we have run out of the easy recapture of natural resources and there is great resistance to development of new ones — i.e., atomic power. This imperils our nation in a very serious way. Poverty is after all related to the national level of wealth. I promise you what we are seeing is perhaps only the first stage in a decline of national wealth... You cannot lick poverty in its geographic locus — the city — unless the economy as a whole is going to lick its poverty problem. That problem has to come first. Felix may have his priorities reversed a little, in my view.

Q: You are talking about creating industry in the natural resources sector, where it isn't, so you will have to build housing, etc. .

A: That's right, but you must go where the resources are. This also means that at some future time, as the newer cities begin to develop their problems and the emptylands of the Bronx, served with transportation, water, electricity, and sewage begin to be more attractive for investment. It is at this point that Felix and I come together again, because there is this point in the future where New York's urban resources become attractive again. But you don't start there, like Felix is saying.

Q: Did not Mondale back in 1974-75 have some kind of legislation that would help on the relocation problem, the so-called NERA bill.

A: Yes and it was shot down. That's because you don't start with the moving of the people. You start with reviving the economy.

Q: You're saying that if as part of a Project Independence resource development program you tacked on a relocation program, it would be much more political and socially acceptable.

A: You dig me. That is how it must be done and we are beginning to see it happen.