

IMPACT OF RACIAL TRANSITION ON THE
MANAGEMENT OF CITY GOVERNMENT

by

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ABSTRACT

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Submitted to the Department of Urban Studies and Planning on June 23, 1975 in partial fulfillment of the requirements for the degree of Doctor of Philosophy.

This study examines the impact of racial transition in government on city operations and on efforts at managerial level changes affecting services in older central cities. It evaluates two current hypotheses of the response of city governments to racial change. One suggests that racial change resulting in black electoral victories will make little or no difference in government operations or benefits. A combination of institutional, legal and political barriers and declining resources will prevent any significant response by new black elected officials to the perceived needs or equity questions raised by black voters.

A contrasting hypothesis suggests that there is no present option to use by nonwhites of the political process. On the contrary, the increasing concentrations of nonwhites in cities make possible the legitimizing of wants and grievances through electoral victories. Further, some benefits may be possible. Public service employment, changes in qualitative dimensions of services, relief from public actions felt to be discriminatory or abusive and finally, the opportunity for administrative and managerial experience are among potential benefits. Secondly, as with white immigrants, public resources may be used to capitalize other community based economic development activities, or stabilize those of most benefit to nonwhites. While resources are declining and much of local government expenditures are stabilized over long periods of time, gains can be significant in poverty communities where outward movement and economic opportunities are limited.

This study looks at some of the impacts of racial transition on city government operations by assessing changes which took place in Newark, New Jersey during the first term of Kenneth Gibson, a black mayor elected in 1970. Newark as a city is a case of extremes. The economic, social and political extremes posed pressures which aggregated a disorganized poor community to press for electoral victories in 1970. These same pressures, however, remain strong barriers to instituting change in government by new leadership. While current political theories suggest U.S. government institutions respond to shifts in demands and pressures from citizen voters through elected officials, the Newark case suggests that new nonwhite administrations are faced with a highly stable institutional structure basically resistant to change and hostile to new authority.

This study hypothesizes that political resources of government and especially the authority and prestige of the mayor and new government

leadership, however, can be used to reshape public services to help poor constituencies. Keys to effectiveness lie with understanding of the established political arrangement, assertion of central control and aggressive pursuit of strategies however unpopular within government. The case focuses on goals, efforts and outcomes of attempts to change three government areas. These areas are critical to shaping the distribution of resources in older cities. Included are the structural organization of city government, including the city's service array, city employment and finally, city fiscal policy including resource generation and budgeting. Structural reorganization can achieve the greatest magnitude of impact on existing resources. By-products of reorganization include significant task and programmatic change, accelerated growth of nonwhite employment and qualitative changes in service output. Moreover, given the propensity of stable growth of budgets in cities, once set, new components of government can compete with older activities for allocation of city expenditure. Change in personnel policy is critical to accelerating racial integration of a city workforce. While inhibited by union contracting and civil service entry and promotional practices, policy which capitalizes on the psychological 'expectation' for change to favor nonwhite employment may undercut some of these barriers. Finally, generating new resources and asserting control over automatic and fragmented budgeting practices are critical to effectiveness of most other change efforts.

Evidence from this study suggests that a fundamental barrier to change is the fragmentation of authority in older government on one hand, and the failure of higher levels of government to respond to the changing requirements of cities on the other. In the first case, administrations which desire change are faced with overcoming the dispersal of authority which reinforces internal benefit systems at the expense of public services. Even when fragmentation is overcome by new governments, however, in the long run, higher resource requirements than presently available in cities will be required to resolve service problems. Here, shifts in state and federal policies are critical. Creation of additional resources where pressures for reallocation of existing resources are greatest may achieve more rapid gains by nonwhites where concentrations are high enough to elect nonwhite administrations to office.

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Chapter 1: Introduction

Recent gains by blacks in U.S. mayoralities have increasingly raised questions about the value of nonwhite political participation as a means to gain equality in U.S. society. The question of what kinds of goals ought nonwhites address is not explored well by current arguments over the value of participation. Assumptions, however, generally relate actions to 'gains', betterment or equality in U.S. society.

Two key arguments contrast in general support of black control in older cities. One set of observers suggests that gains are at best symbolic and relative to the resource costs to nonwhites of participation in electoral politics may be harmful in raising expectations. Pointing to the economic decline in cities and the obsolescence of political governmental institutions, there are real doubts that cities can distribute more than a very small pie. Another problem is that the causes of decline probably lie outside city jurisdictions and the restricted institutional control of local government. Thus, while there may have been possibilities for utilizing the city as a political-economic benefit system in a less suburbanized society of pre-war times as European immigrants did, the dramatic changes during the past decades have made this nearly impossible. The combination of wealth decline and rising standards for American life have virtually removed the city political apparatus as a mechanism for upward mobility of lower status people.

These observers also see potential harm in a focus by nonwhites on electoral politics in cities. Here it is suggested the politics may be yet another 'diversion' game designed to dissipate unrest and frustration

of nonwhites over their failure to achieve in the larger economic and political marketplace of metropolitan America. By 'playing the game' nonwhites may be bought off with the cheaper rewards of city hall while the rest of the society enjoys the big rewards outside cities.

A contrasting set of observations argue less about the objectives of obtaining equal participation for nonwhites in U.S. society as with the means, constraints and timing which they suggest play a much larger role in setting limits on nonwhite strategies of using the ballot and city hall. First, they suggest that every road must be tested, including the well-trod route of white European immigrants. While the rewards for black participation today relative to today's standards may be less than those of 70 years ago, blacks should take advantage of their freedom to repeat the experience. At the least, there may be gains in the experience of organizing and focusing on specific goals which are obtainable with collective effort. Given the extreme discrimination exerted against nonwhites in participating in politics in the past, this gain may already be a significant one in restoring the confidence in self-action of disadvantaged groups. Another direct gain possible is in experiencing administrative, executive, planning and managerial roles. Again, few blacks have obtained the experience of control over organizational resources and institutions outside of government and the expansion of opportunities provided by black control over city hall can provide this.

Secondly, a strong economic argument is put forward over the value of tangible rewards available from political participation. Local government rewards, it is suggested, can be utilized in a variety of ways for politi-

cal and economic development. The disadvantaged black communities can benefit, for example, from direct services produced by government. While present qualitative dimensions of services may limit their value to nonwhites, some opportunities for reorganization are available under black control. Changes in the quality of education, for example, could improve economic opportunity considerably. Black control might also arrest discrimination in services perceived to exist in nonwhite communities. Services such as environmental control, inspectional services, public housing maintenance, infrastructure maintenance, etc., are areas where an end to discrimination would generate visible benefits.

Spillover benefits, another area, conceivably could improve under black control. Benefits generated by government production such as employment and contracting, if shared by blacks in proportion to their numbers could reduce black unemployment and generate skills useful elsewhere in the economy. Finally there are potentials for capitalizing the expenditure of government contracting of services in community development. Through the use of nonprofit corporations, development banking and a variety of other devices, nonwhite communities can expand and improve local economies.

While both sides of the debate have argued from economic and ideological perspectives, very few have considered the limits or potential offered by governments under black control for black improvement. There are clearly major constraints and limits of black government's influence on reallocating benefits in older city systems where they are most likely to be elected. Constraints are many and varied but they can be

grouped roughly into two types; internal government and political constraints, including the legal and structural organization of city government; and the expectations and demands placed on such administrations from service and political constituents and various non governmental interests.

A. Internal Government and Political Constraints

Institutions of government and existing political arrangements in cities pose major constraints on the exercise of mayoral power for new black regimes. Black mayors are handicapped in entering government with not understanding executive roles and political authority since they have rarely achieved familiarity with such roles in business, institutions or public agencies. Development of executive roles is further hampered by the shared authority system of cities and the problem of 'racially' defined roles in U.S. society. On the one hand, authority is shared outside the city with state institutions which severely limit local authority to act. Internally, mayors share authority with city legislative bodies and permanent civil servants. Frequently, sentiments of control between state actors and city actors are shared. Sometimes common bonds of 'racial hostility' further reinforce conceptions of need to control mayors and inhibit the exercise of legitimate mayoral power. In some cases these sentiments go very deep into the past parochial concepts of what city governments ought to do. For example, states can exercise severe and crushing authority over taxation and borrowing or issues such as public employment in ways which ignore local effort, or the magnitude and urgency of a local crisis. The strong tradition of

'pay as you go' government, of budgetary stringency without reference to real costs of government operation, and an unrealistic philosophy of 'effort' to improve tax positions still characterize many states' legislative patterns. Such attitudes may reflect shifts in sentiment from cities and rural areas to suburbs, where representation has grown most rapidly in recent years. State attitudes over control may be matched on the local level by hostile local councilmen and civil servants for different reasons. City councils which black mayors have faced generally have minimal responsibilities in government, are frequently uninformed about operations of modern government and sometimes racially divided. Representing narrow ward or other political base interests, such legislative bodies frequently take little interest in overall operations of city government and may have little idea of how resources are actually distributed among competing service areas. Limited by their own institutional roles frequently to a 'veto', many councils appear ceremonial at best, at worst obstructionist.

The power of local legislative bodies though limited in terms of policy actions, is nonetheless large in the ability to veto. This places particularly difficult burdens on black mayors. The council veto is exercised frequently in cities such as Newark, Gary and Atlanta over key policy issues of appointments, structural reorganization, expenditure and taxation. Where councils and boards of aldermen share common interests and values with mayors, executive authority can be considerably enhanced. Where there are divisions in loyalties, values, race, there may be major obstacles to the exercise of office.

City bureaucracies and their permanent civil servant workforces also pose obstacles to the exercise of mayoral power and may be particularly limiting on black mayors. In general terms, city functions have tended to develop less in response to environmental pressures or voter preferences than in response to the needs of economic interests in cities. Locked in long ago to this basic interest origin, marginal shifts which do take place are seldom adequate to reshape the institution. In many cases, the initial purpose of the activity may be obsolete even to represent business or economic interests in contemporary terms. Lacking a mechanism to fundamentally restructure government functions, most cities tend to get more institutionalized over time. About the best temporal political regimes can do is to add on new functions while ignoring the old. Where there are large staffs involved, the tendency towards stability may be even stronger.

In older cities bureaucracies may be characterized as 'classics' in the tradition of 'stabilized' organizations. Established norms, well defined hierarchies and divisions of labor and strong social control may seriously internalize operations. Strong and highly visible mechanisms may exist for self-preservation and autonomy from control or interference of outsiders. The unit may reflect this internalization in reduction of output to a highly routinized set of tasks and a general hostility to external service publics. Much of the problem stems from the role of the semi-permanent staff. Civil servants may be highly integrated into the organizational norm structure. If the organization has ethnic or racial divisions, these may be reflected in task and work divisions, separation of interests and the like. The civil service

system may operate to reinforce all these tendencies through the "job title", which reflects an externally defined status, role and frequently salary position rather than the functions of the organization.

The reality of older cities' staffs are that they are primarily white. This seriously affects organizational responsiveness to new demands, whether from a black mayor or from his disadvantaged constituency. With the turnover in service clientele and chief administrator, and the serious loss of status that black government assumes in white society, a city staff may exhibit open hostility as has been the case frequently in Newark. The threat of loss of jobs, of preferences given to lower status blacks are also very important generators of staff hostility.

In addition to city government operating institutions, the tax and finance systems of older cities pose enormous impacts on black mayors. A combination of legal constraints on types of taxes allowed and erosion of taxable wealth have contributed to the fiscal crises which most black mayors face. Where the present institutional framework of government has failed most is, coincidentally, where black mayors are likely to come to power. Examples are visible in cities such as Gary, Newark, East St. Louis or Baltimore which are characterized by grave problems. In these cities, tax base erosion is linked to racial change. While business interests have traditionally resisted changes in city tax systems which would force more government support burden on economic enterprise and high income groups, traditionally, middle income residents were less able to escape. With suburbanization, however, many households have left to settle in jurisdictions with lower taxes. For the households

which remain -- many of them nonwhite and poorer white homeowners -- the higher costs of city government remain a burden because of the unreformed tax system.

One of the key constraints to tax reform lies on the state level. States do have the ultimate authority to equalize tax burdens between economic activities and households and between income groups. States, however, have been systematically unresponsive to defects in the tax systems which inhibit adequate support of local government. States have tended to limit changes in taxation and revenue sharing to those forms and objects where at least equal, if not superior, benefits can be allocated to better-off suburbs along with poorer cities. Few states have enacted distributional tax systems which take into account income distribution of taxpayers, or alternatively, absorb special services associated with poverty, such as public assistance.¹ The black mayor is not only in a poor position to increase his tax base, he cannot even depend on temporary relief for extra service costs.

B. Expectations and Demands

A second group of limitations on the exercise of office by black mayors falls in the category of expectations and demands from constituents and forces outside organized government. Two types pose contrasting problems. The voting electorate is generally heavily weighted towards the disadvantaged who have voted in the first place to express demands for change. Frequently, the change takes the form of demands for redistribution and reallocation of government benefits to improve the lives of the disadvan-

taged in concrete ways. Another issue raised in elections may be an end to the more coercive or discriminatory practices of government such as police harassment or urban renewal dislocation.² A second strong kind of demand is frequently made for more general reform of institutions, including fiscal reform, increased efficiency or productivity in government or structural reorganization of functions. The reform demands may come in part from the voting electorate, particularly on the issue of taxation and services. Other important forces, however, shape these demands substantially. These include local press, regional and Federal government officials, public interest and civic and business elites. Black mayors are frequently faced with responding to demands essentially in conflict with each other.

The voting electorate pressure form changes substantially when it comprises a nonwhite majority. While black voters have traditionally voted for 'race' and charismatic political personalities, a combination of shifts in ideology and the growth of conception of executive control has dramatically shifted expectations. Blacks now expect something for their vote in addition to symbolic gains. Perceiving of the resources of city hall, black voters expect a redistribution of the benefits both in the service and non service sides. They may expect qualitative and quantitative service improvements and an end to discriminatory distribution of services. They may assume that past discrimination ought to be made up through establishment of service priorities in black neighborhoods. Entirely new services -- to fill gaps perceived as important -- may be well articulated by voters, trained and educated in the program-

matically oriented 'poverty' arena. More importantly, however, nonwhites expect to share in the traditional spoils of city hall, contracting and employment. Perceiving discrimination in the past, and that deliberate exclusion was made possible through organized labor and well established political linkages of whites, blacks expect that strong priorities, quotas, etc., will be instituted quickly to increase their share.

Response to this kind of demand poses major problems for black governments. Changes in urban services and in the distribution of employment and contracting require direct confrontations with the institutional-legal system and well established political relationships cultivated over many years. The one option available in the past, a by-passing of existing government structure, is prohibited by the absence of new resources in a stagnant economy and rigid tax system. Most black mayors have relied heavily on intergovernmental help and have become genuine professionals at 'grant getting'. At best, however, additional resources are limited and temporary. Finally, new resources fail in meeting one constituent objective, the end to institutionalization of white values in government.

Response to black constituency demands is also made more difficult by the time frame of expectations. Some expectations are for short-run, visible change; some for longer-range changes. Frequently there are tradeoffs between a short-run response to a problem and longer-run, more stable solutions, involving more fundamental legal or structural change. Many long-run changes also are highly invisible. While administrative reorganization, new legislation, etc., may take more time and be less

visible, final impacts may be greater in contributing to community improvement. Reconciling and communicating these distinctions is a major task of black mayors running for re-election.

A second type of demand for more general reform in local government, while not limited to black mayors, tends to exaggerate their problem by forcing somewhat higher standards of leadership than that normally expected of white mayors. With an absence of identifiable linkages to strong traditional political forces such as labor, business, or political parties, black mayors may find themselves scrutinized by all of them as well as civic groups, the press, etc. As 'political unknowns', they may be limited to a strong identification with government reform as the only means of appeal to broader support. In cities where black mayors have campaigned, furthermore, the issue of corruption has tended to loom large, focusing attention even more on reforms.

Black mayors often find themselves committed heavily during campaigns to key reform changes in government, in part to solicit wider support, in part to 'cover themselves' with a protective shield as political unknowns with little identity outside black or civil rights arenas. Reforms include structural reorganization of government, general administrative reforms, and reforms in fiscal policy, or a very broad range. Traditional concepts of efficiency and productivity in public services, while useful in appeals to such interests as the regional press, business groups and middle income white householders, may be in direct conflict with other goals, or the capacity of mayors to carry out change, particularly those which require increasing expenditures. Fre-

quently the choice falls between reform and redistributive goals. On the one hand, there are urgent demands from nonwhite communities for service improvements. On the other side is a demand to halt spending and reduce tax burdens on poorer households. In attempting to balance the two, frequently the black mayor is criticized by both sides.

The decision by many black mayors to accept reform goals generally is predicated on other considerations than those of immediate electoral support. Most black mayors try to keep reform goals prominent even at the expense of other redistributive goals. In the United States system it is particularly important to establish an image of 'clean government' to court the sympathy of decisionmakers in state and federal government. This helps in guaranteeing that assistance from higher authorities can be neutrally made without the problem of support of suspected local abuse of power. Black mayors are limited in the magnitude of actual redistributive actions they can make and must depend on higher authorities with superior resources for redistributive policies. With other interests, particularly the press and the broader regional society, the image of clean government may be important in overcoming the handicaps of being 'black' and inexperienced in the rough and tumble of political decisionmaking. Since many forces may be hostile to black mayors because they are black, clean government tends to undercut other types of criticism which may reflect racial hostility and conflict as with public labor conflicts.

C. Political Events and Crises

A final pressure faced by black mayors is the less predictable one of political events and crises. In addition to the 'genuine' crisis of public labor unrest or deterioration of tax base faced by all mayors, many events become translated into 'crises' because of racial conflict in black administrations. In part this tendency stems from the use of many events by black constituents and leadership as a means for airing long held racial grievances. In part it is also the product of perceptions of black government by external forces, particularly the press, regional political interests, etc. These external forces may interpret events as racial crises in they occur in black government and strong lines are drawn between a black mayor and the 'other side' as in the case of public labor disputes.

Political event crises faced by black mayors in office have been of a very wide variety and seem to explode almost upon entry into office. Initial challenges to mayoral power of appointment and dismissal are commonplace as the case of Hatcher, Gibson and Jackson in confronting leadership for the police establishment have attested. Another characteristic of the political crisis with serious racial overtones is that where mayors are 'held responsible' despite the fact that they have no direct control such as with low income housing sites. In contrasting the two major low income housing controversies of Forest Hills under Lindsay in New York and Kawaida Towers in Newark under Gibson, it is clear that the crisis of Newark reached far more devastating politico-racial dimensions in government. The most

frequent and serious crisis-confrontation with black mayoral power, however, has been with organized public employees. While public employee organizing and strikes are not limited to black government, such strikes obtain severe racial and ideological dimensions locking black mayors between mainly white civil servants in his employ with minority constituent-consumers of government services. Given the perceived mayoral loyalties, mayoral prestige is almost impossible to use effectively in strikes.

D. Newark: The Case and Mayor Kenneth Gibson

This study examines the general question of the impact of a black mayor on city government in addressing goals of improvement of the disadvantaged. It looks at more specific questions of a black mayor's influence on government resource allocation in an older declining city, where constraints on mayoral action are severely limited. The study itself is constrained in examining these issues fully by the limited time frame: while that of Kenneth Gibson in Newark does have the longest experience of a black mayor in power in a major U.S. city, it is still limited to only four years. Many impacts of current change attempts cannot be fully evaluated for some years to come. At the same time, however, Newark has advantages in testing some key issues which are more fully visible in short run terms, including forces which contributed to a black electoral victory in the first place and the constraints on exercise of mayoral power. These factors tend to be complex and interrelated; the shorter time frame holds some advantage over longer range studies or comparative analysis in addressing these issues.

Before examining some questions central to the broader question of black mayoral influence on city expenditures and other issues of allocation, it is useful first to look at some of the constraints and opportunities posed by the case city Newark. As with many mostly black cities in the U.S., Newark, N.J. represents extremes of political, social-demographic and economic dimensions. While these extremes limit generalization of the case more broadly to all U.S. cities, they can be very typical of cities likely to elect black governments. It may be more likely that blacks will come to power where extremes demonstrated by the Newark case exist and have developed over a long period of time, reflecting some real outcomes of the failures of urban government. It is also possible that some of the contributing factors to government institutional failure exist, but are simply less visible in other cities where an absence of the extremes of poverty have served to disguise them.

1) Newark as a Case of Extremes

During the past decade, Newark has grown to symbolize the older city problem environment in the United States. In the popular press, Newark becomes the 'worst': the most corrupt, the poorest, the oldest, the most deteriorated, the ugliest, the most severely in decline, the most lacking in civic and cultural interest, the worst crime rate, the highest welfare rate, the highest infant mortality and disease rate, the highest delinquency rate, the highest rate of illiteracy and so forth.³ Much of the empirical evidence supports the popular and journalistic conceptions although causes may be obscured. While press

reports tend to blame Italian power and corruption and nonwhite concentrations for Newark's ills, some of the deeper problems in the U.S. system of government and power orderings are ignored.

Extreme social and economic changes took place in the post war period in Newark, resulting in one of the major social problem concentrations of U.S. cities. Between 1950 and 1970, the city demographic structure shifted from around 70% white to around 70% nonwhite and from a predominately lower middle and working class population to a distinctly lower class, low skilled and less socially integrated population. While a strong component of household heads resident in the city in 1970 were skilled workers and craftsmen with relatively high incomes by regional standards, the more typical household head was an unskilled factory operative or service worker earning half the income of the regional blue collar household head.⁴ Moreover, a higher proportion of the city's workers were employed in sectors of the economy characterized by seasonal or business cycle fluctuations in employment, or in temporary and part time work situations. The number of dependents, moreover, increased with a shift in the age structure; higher numbers of unskilled youth were pushed into a shrinking job pool.⁵

Demographic and workforce changes undoubtedly contributed to a swelling of the ranks of the unemployed to well over 20% of the city's workforce and a family public assistance rate of over 30% during the early 1970's.⁶ Another effect of demographic and workforce change was in the increased transiency and social disorganization of Newark's families. Housing moves increased dramatically over the census period between 1960 and 1970

as did divorce and separation rates along with other disorganization indicators such as health deficiency rates and juvenile crime.⁷ The effects of racial discrimination undoubtedly contributed to the problems of adjustment of Newark families. In employment, in housing and probably in areas of important public services such as health, education and police services, discrimination limited social and economic adjustments. In employment, for example, older white workers and minority newcomers competed frequently for the same jobs. The advantaged white workers assisted in lowering competition by encouraging discriminatory hiring practices by employees and instituting rigid entry rules in trade unions. Newark's nonwhites were forced out of the city's job market to search for employment in the broader region, making Newark by the 1970's one of the most extreme reverse commutation workforces in the nation.⁸

Newark's economic activities underwent very dramatic shifts in the post-war period and were particularly strong in influencing the employment contraction and ensuing competition mentioned above. The city's economy literally changed overnight from a highly diversified industrial manufacturing base to a largely white collar service base. While many observers suggest that racial change fostered the decline in industry, another explanation is more likely.⁹ As the post-war period approached, Newark's economy was inflated by wartime activities which generated support for an extremely large number of smaller manufacturing and service firms. This was in direct contrast to the pre-war period, when the depression had removed the bulk of consumer oriented manufactur-

ing from the employment sector and depressed growth of service activities such as transportation and utilities. With an end to the wartime boom, a shift took place in managerial corporate organization as well as consolidation of consumer goods production in the region. The combination probably accounts more than any other for the high rates of attrition and migration of Newark industry out of the city. The total impact was to reduce available employment in blue collar categories and increase competition among workers for the remains.

Another key economic shift which accompanied the attrition of manufacturing was the growth in service employment. This phenomenon had equally dramatic effects on the city's economic base and employment. The decline in manufacturing employment was largely offset during the first two decades of the post-war period by growth of white collar service industries such as insurance, finance and banking. As early as the 1920's, Newark's superior location in the East coast region coupled with its proximity to New York City had made it an attractive location for corporate activities. Even during the depression when most activities in the city declined, these service industries actually expanded and assisted in financing a building boom in Newark's central business area.¹⁰ In post war times the advantages of location remained and once again corporate office expansion and employment growth took place in the service sector. While some employment declined during the late 1960's, regional white collar activities are still overwhelmingly concentrated in Newark.¹¹ This extreme concentration has contributed to yet another extreme of 'external commutation' of workforce. The city's workforce

literally changes during the daytime when approximately 100,000 - 150,000 mainly white suburbanites enter the city for white collar service employment and half as many blue collar and service workers resident in the city leave for employment outside the city.

The effects of economic change on the workforce have already been mentioned. As important, however, were effects on the city's tax base. With a shift outward of higher income residents, taxable investments in housing declined and taxable retail sales by consumers tumbled. With migration or attrition of the city's manufacturing sector, a further erosion in the tax base took place. At the same time, however, there was little decline in the public costs for support of services related to business activities.

2) Public Response to Economic and Social Changes

City government responses to the city's deepening crises were to ignore the serious effects of discrimination and poverty and to utilize the federal urban programs liberally to focus on physical redevelopment to encourage "return of economic interests" to the city. Two successive city administrations, in addition, became increasingly absorbed in maintaining power through use of the police system.

There was little response in Newark to the rising problems of poverty and discrimination fostered by the increase in nonwhites in the city. Discrimination in employment, even in public projects, was ignored in Federal and state governments. While strong anti-discrimination legislation was passed in New Jersey governing both private and public

employment, there was negligible enforcement. The strong Federal enforcement powers were also neglected, particularly in local public employment. In city government itself, although a Human Rights Commission was initiated in the mid-1960's, it had no enforcement power over integration of city employment and the rate of integration on city generated jobs remained low.

In addition to a general failure to attack the problem of racial discrimination in employment, there was little done to respond to the obvious skills needs of workers in a changing economy. The city's public education system had deteriorated rapidly from one reputed as one of the best in the country in post-war years to one of the country's worst by the late 1960's. There was little or no attention to changing the high school curriculum to reflect rising demand for clerical workers, or develop specializations required for growing white collar employment in the region. While the city received substantial amounts of Federal job training grants for older workers, resources were allocated to the Italian dominated trade unions, with the worst records in the city for setting obstacles for entry into trades by nonwhite workers. Many of the training programs, in fact, appeared to be utilized for facilitating entry into jobs of white workers.¹²

One Federal program in Newark which produced extremely negative effects on the city's social problems and possibly did little to assist the economic situation was urban renewal. Newark's renewal program, initiated during the early 1960's was the second largest after New Haven in per capita expenditure in the country. In contrast to New Haven,

however, radical clearance dominated the program. In the Newark setting, with its very densely built up land area, an inevitable result was removal of a substantial proportion of built-up uses, both residential and commercial. In declining industrial areas, the program removed thousands of low skilled jobs in labor intensive industries such as opticals, electronics, light metals and the garment industry. The impact of removal of a great number of these operations within a short time frame undoubtedly contributed to growth of unemployment and possibly erosion of the city's tax base. Despite strong efforts on the part of the renewal program managers, however, very few of the jobs were replaced. While some larger service industries in the central business area took advantage of urban renewal land subsidies to expand office operations, few new businesses came to Newark and land remained vacant almost two decades following clearance.

The two city administrations of the post-war period up until 1970 were unable if not unwilling to resolve the serious problems in the city's economic and social life. Ignored by the city's powerful business corporate elite, and pressured by an increasingly poor constituency, the political system had few resources to institute change. The solution of distributing the city spoils among competing white ethnic groups failed when nonwhites increased and the size of the city pie declined. Pressured increasingly by nonwhites, the traditional regime resisted, increasingly falling back on the coercive arm of the state, the police, to reduce nonwhite demands. The outbreak of black unrest in the mid 1960's was an almost inevitable response to the failures of the economic and political system.

Two types of factors aided blacks in gaining control over City Hall in Newark. The first was Federal poverty grants over which blacks gained control during the mid-1960's. The poverty grants along with other resources from the broader U.S. civil rights movement were used to train and organize political leadership for the mayoral fight. A second factor was an opening created by the sensational political corruption trials initiated against Newark government officials during the late 1960's in a post-riot climate. With the discrediting of white ethnic power leadership, few obstacles remained in the way of a black electoral victory.

3) Black Mayoral Victories and Constituent Expectations

The election of Kenneth Gibson in 1970 in Newark was unquestionably a demand for reform in government by the voting public, and particularly those most disadvantaged in the Newark system. Constituent expectations in electoral situations as dramatic as that of 1970 undoubtedly run high. The shape of these expectations can and do pressure and limit what an administration can do once in office.

Two types of expectations could be underscored in the Newark case. One was for relief from the particularly negative pressures exerted against blacks which they perceived as racist; key pressures were arbitrary police harassment and renewal clearance. In post-riot inquiries, both were cited by investigatory commissions as strong factors underlying hostility most blacks had against organized government in the city.¹³

A second expectation was for a larger share of the city's benefit

system. With low rates of employment in government activities and low rates of representation in electoral office, blacks perceived government output to be produced and distributed in a particularly discriminatory way.

Against these two sets of expectations were posed the limitations of mayoral office itself, the institutional power of city government and an existing administrative staff composed of mainly permanent civil servants hired during the prior administrations.

4) A Black Mayor's Influence over Change in City Resource Allocation

This study examines the case of a black mayor's influence over resource allocation. It poses the general question of whether black leadership in government is a meaningful pursuit for nonwhite communities or whether any difference can be made to disadvantaged constituents by the action, given the constraints of the institutional apparatus of government, the limits of electoral office and the values and political arrangements stabilized in an existing government organization. More specifically, the study hypothesizes that meaningful changes are possible through the exercise of mayoral power on key instruments of government. Further, changes which are possible are hypothesized to contribute positively to the disadvantaged. The study also suggests, however, that the kind of changes which are made through mayoral action to reach these objectives will result in gains, only a small part of which will accrue to the disadvantaged directly, in the short run. Rather, in confronting the organization of government with the objective

of redistribution, black government can assist in challenging to a greater or lesser degree the question of what are the objectives of government, how do these objectives fit the structure of local government systems and the relationship between local government production and benefits. It thus may be a somewhat larger gain to the society in understanding the real obsolescence of the American city apparatus.

Before examining the general hypothesis and methodology of the study of Newark it is useful to look more closely at the instrument of local government for allocating resources.

a) City Government Structure and Resource Allocation

The public portion of resources in U.S. cities, in tax and expenditure terms are allocated over very long periods of time and in ways which reflect few of the changes in U.S. social standards. Of necessity, as in all productive activities, commitments must be made to develop functions which assume 'start up' and development periods. Continuity also must be assured. This is made possible principally through personnel commitments and purchases of fixed assets. This does not preclude change to structure of government productive apparatus over the long run, but it makes longer stabilization more likely in the U.S., for example, commitments have tended to inhibit planning, re-evaluation or change to functions and this, in turn, has reinforced personnel and assets commitments. In a very fundamental sense, the U.S. Federal structure, coupled with a very strong value orientation in the general population towards 'individual self sufficiency', has resulted in a very conservative attitude towards development of public organization.

Owing to the particularly rigid fragmentation of power between the states and the national government, a concept of public civilian function and organization is undeveloped and the local governments we have today are prohibited from evolving to meet changing standards of contemporary urbanized society.

Growth in direct expenditures for particular civilian functions in American cities as a result has taken place outside a 'planning' context and without the benefit of direct service consumer inputs. Very little shaping of functions or the organizational structure which produces output has taken place 'all at once' as in a planned economy, nor have pressures of dramatic economic or social upheavals or crises (economic depression, revolution or war for example), resulted in such need to re-plan. The local government service consumer acts primarily through elections to express preferences for those he hopes will generally represent his views in the matter of services, but rarely can he register a specific functional preference or payment for local public production. In the absence of mechanisms for this purpose, local government has been shaped by a combination of special interests, employee and business interests who benefit from spillouts of government production, and stable and archaic laws passed over many years and rarely recalled.

Since the 1920's, when public education became widely disseminated, very few new functions have been introduced in cities. The early absence of attention to the social dimensions of government, when most local governments were organized, has served to magnify problems. There is a

distinct skewing of local government functions towards support of local economic and business interests. This is visible in older cities in the substantial attention and budgetary weight given to police, fire and property and business oriented functions and away from functions appropriate for householders such as child and family oriented services, cultural and recreational facilities, consumer protection, intermediate transportation facilities, etc. With the decline in business interests in cities and the growth of general expectations of more social activities, older city functions have become anachronistic. There are frequently visible and dramatic contrasts between service distributions of suburbs and core cities.¹⁴ Meanwhile, the older conception of skewing services to business to assure growth of tax base and employment appears inappropriate given contemporary standards for urban life and the decline in importance of business for support of government and employment base.

In principle, city spending and production apparatus distributes resources. The city budget annually plans expenditures and forecasts revenue required to support government activities. Since most services are produced under long term personnel and contractual arrangements, as to some degree in the private sector, there is little potential for shifting production from year to year. Thus, although the city budget may reflect resource allocation over time, on an annual basis, the budget becomes a very different kind of instrument.

In the short run, city budgets indicate some potential resource allocation change, temporal policies governing new and uncommitted resources which enter the city system and shifts in responsibilities to higher

levels of government, or back to the consumer. One effect, that of temporal policy over new resources, is the locus of central administrative control and influence over annual budget change. The control over resources in the short run by mayors or managers is possible primarily by control over 'budgetary slack' (unused resources in existing allocation), new resources from taxes and flexible grants and intergovernmental transfers.

Other instruments beside the city expense budget contribute to shaping resource allocation in cities, however, in both short and long run terms. Important among these are personnel policy, instruments for structural reorganization of government and finally intergovernmental resources subject to local choice. Allocation effects of use of these instruments are frequently visible in short range terms, as with efforts to increase revenue by a temporal decisionmaker or a change in personnel recruitment policy. Increases in revenue, even the presence of grants in aid do not happen automatically in U.S. government; policy decisions and resources must be devoted to an effort to capture grants and decisions must be made about subsequent use. Similarly, personnel policy is not the automatic outcome of civil service or bureaucratic machine although it may appear so at times. Central administrative actors have authority over appointments of key administrative officers in most large cities and discretion to shape recruitment, hiring and promotional patterns. There is considerable discretion in shaping what new types of workers are added to city payrolls and adjustments can be made to suit the labor force or policy priorities in government. Finally,

structural reorganization, changes in the functional distribution and organization of activities can have important impacts on expenditure growth and the types of personnel utilized in government; instruments which alter the array are also powerful determinants of allocation in cities.

E. Impact of a Black Mayor on Resource Allocation: Hypothesis and Approach

This study examines the impact of the administration of Kenneth Gibson in Newark, New Jersey on shifting the distribution of resources in city government. It looks at the general constraints on mayoral power in government and the limits of the instruments for resource shifts and, in particular, the city expense budget. A general hypothesis first tested is that a black mayor will seek to address problems of the disadvantaged through a variety of strategies to shift city resources into areas which primarily service the disadvantaged. A series of sub-questions are also examined relating to the problems of mayoral authority and instruments of resource allocation. These can be divided into questions related to the exercise of mayoral power and control over government and political and institutional constraints on one hand and, on the other, the budget as an instrument of resource allocation.

More specifically, the study asks the question of whether or not mayoral influence can affect change using conventional means to shift city resources and to what degree. This suggests that there are many levels of effectiveness, and an element of 'choice' in decisions. A second question posed which is important to the Newark case and that of

other large cities is whether or not race poses disadvantages or opportunities to the exercise of mayoral power.

The specific hypothesis tested is that exercise of mayoral power can influence expense budgets and reorganization of government to shift resources in preferred directions. Key assumptions are necessary, however. These include the existence of at least a margin of uncommitted resources of 'slack' in expenditure and legitimate or sanctioned new spending areas constituting gaps in the existing array.

Current theories about the mayor's control over city resources and related policies in government tend to avoid discussion of mayoral choice preferences or effort. Both budget outcomes and the budgetary process are treated frequently as either an environmental pressure phenomena, or the outcome of special interest pressures or as a struggle between the spenders (or other internal beneficiaries of government) and the administrators!¹⁵ Where executive or administrative choice is treated, it is represented frequently as personal preferences of mayor or manager unrelated to policy goals. The absence of many discussions leaves unrelated the problem of how representational government works in distributing values. Few conclusions can be made relating policy input and choices to policy outputs.

This study of the Newark case hypothesizes that choice of decision-makers in government represent important values which can be directly related to policy. In the case of a black government brought to power by nonwhite votes, the case suggests that values of equity and equality are fairly strong. A black mayor would be expected to emphasize

changes which redistribute services and other benefits to nonwhite constituents. These changes would be reflected in spending, taxation, personnel and other key issues where executive control and prestige is strong.

The second area examined by the study is budgets as instruments to allocate resources. This involves a somewhat different set of questions than those represented by shifts in values on the policy making level. In particular, the question of the degree to which expense budgets do allocate resources is an important one.

Budgets are widely recognized to change somewhat in the short run although changes in the bulk of expenditures take place over a longer period of time. Major questions can be raised about whether these short run shifts reflect policy changes and efforts of a particular administration or the 'drift' of other forces. Another important question is to what degree other policy changes have budget impacts or impacts in shifting allocation of city resources to favored policy areas.

The study hypothesizes that some policy changes are visible in short run budget changes, including year to year changes. Such changes can involve both deliberate efforts asserted through budgetary decision-making by the executive, or efforts to influence other issues such as revenue policy, organizational structuring of government and personnel.

1) Limits of the Study

The study is based on a single city case and looks at resource allocation policy within a relatively short time frame. As a single city case, Newark poses advantages and disadvantages. The Gibson administration, in office only four years at the time of the study, also poses limitations for understanding more general situations involving exercise of mayoral power as well as the specific problems of black mayors in U.S. cities.

The disadvantages, beyond the question of a single case, are that Newark does represent an 'extreme' from many perspectives. There are few other cities with analogous extremes of geographical limitation in size, age, poverty and magnitude of economic and social shifts in recent years. In addition, Newark also suffers as the case study and other recent investigations show, from an extreme of institutional underdevelopment both in private and public spheres. These extremes may pose some slight advantages for a severe 'test' of effort, but, on the whole, they limit severely the impact of change.

A second disadvantage is the time frame for the study of a black mayor's impact. For a study of almost any value change impact, four years is short. In the case of altering very deep values on both black and white sides which have built up over centuries, it is clear that the task is almost impossible. On the other hand, accepting this constraint, effort and choice are important. Even a short time frame can indicate to what degree values are institutionalized in government and how they

operate to constrain and inhibit effective decisionmaking on current issues. They may also give some notion of how much actual distance there is between the constituents of government and their preferences and the institutions themselves in responding to those preferences.

There are some advantages to the case approach for assessing the influence of a black mayor in altering government behavior. Advantages of the case approach lie in the ability to examine a decision more closely, and particularly to evaluate its context for clues as to forces which influence it most. The roles of local political culture, institutional organization, regional influences in and out of government become somewhat easier to isolate in a case study. The internal influence structure of decisions also frequently stand in sharp relief; the particular formal and informal roles, personal values and actions which interact in decisions are made particularly visible in case studies.

Another advantage is the ability to examine policymaking itself.

For the policymaker, the case study is frequently more interesting than larger, more global analysis, in part because it can test the constraints of the institutional framework as well as the short time frame. It can also trace decisions through stages. The case serves to open the 'black box' of decisionmaking a bit wider and thus contributes an understanding of what policymaking is.

2) Methodology

In examining the general hypothesis that a black mayor will tend to use mayoral influence to improve the position of disadvantaged constituents,

the study looks for evidence in key policies of budget and spending and government reorganization. In the case of the budget, both general policy and policy efforts at change in key issue areas of Health and Welfare, Public Works and Police are evaluated. In the case of structural organization, the efforts at elimination and creation of new functional units are evaluated since these actions suggest recognition of 'gaps' in the array of functions, or alternatively functions of lower priority for local attention.

A second evaluation of policy includes examination of influence during the budget decision process itself both from the point of view of constraints and opportunities for exercise of mayoral influence. Observations and information generated during the budget cycle form a basis for assessing the use of the instrument by participants to gain control over resources and the direction of any change. Since city budgeting is extremely internalized, direct observations also assist in displaying the interaction of key participants in terms of support of mayoral policy.

A third policy area tested is that of structural reorganization of city government to favor the disadvantaged. It is argued that one way to reduce spending gaps or create new spending in an old structure is through asserting control over key functional elements of government. Both the effort to create or drop spending areas entirely, and budgetary and spending impacts are evaluated in these terms from information and observations of the cycle during 1973.

As suggested earlier, budgetary decisions are discrete and highly internalized in cities. It was possible to examine one budget cycle in Newark, the 1974 budget in the making during four months during the latter part of 1973. Observations from the several dozen meetings, supplemented with information and studies generated during the preparation of budget data and interviews with participants involved on the administrative, policy and operations end of city activities form the basis for the study. Budgetary decisionmaking is complex. There are many influences during the cycle and the process itself often resembles an open struggle for stakes in the city prize. Different personalities and values of participants appear to distinguish the amount of influence rather sharply. Further, interpersonal influence and conflicts are not necessarily correlated with traditional conceptions of formal authority, seniority, etc. There are nonetheless basic patterns which emerge suggestive of a particularly strong prior sub-culture and decision structure created exclusively for budgeting. It is these patterns which appear most important in shaping particular outcomes of the process.

There are many budgets in cities, which can be distinguished by purpose and stage. The budget cycle normally generates three, a departmental request budget, an executive budget and a final or council budget. Some observers argue that the final budget represents no more than a guide for expenditures and cite as proof considerable variation between council budgets and final expenditures. Budgeting does continue throughout the year to the extent that new resources (principally

anticipated taxes or grants) may come in and be available for spending, or that emergencies may occur. Nonetheless, however, principal budget decisions relating to local resources are made during the cycle. It is rare, for example, in Newark that major revisions are made in spending during the cycle and more likely that new resources have either been previously budgeted in the cycle, though not included in spending (as with grants in aid) or wait till the next cycle.

The approach to budget outcomes in the study has been to assume only marginal changes between cycles and to principally assess (where information is available) major changes within. This in fact has generally been the case and emergencies and other in cycle changes are ordinarily carried forward to the next budgetary period. In-cycle changes are utilized to test mayoral influence over the general spending patterns of key departments, which should indicate which are favored and which are not by the central executive. This carries more general trends in outcomes to a lower level of detail and also may indicate some of the constraints posed to mayoral influence.

3) Organization of the Study

This study is organized into three general parts with the first presenting basic themes which underscored election of a black mayor in Newark. One theme drawn from evidence of the Newark case is that broader economic and social system breakdowns can institutionalize conflict in government and result in a further disintegration of functioning of 'normal' operations.

The first part of the study reviews erosion of the government system in Newark and opportunities presented by it for black succession in government in the city. A second part reviews a black mayor's role in government in terms of constraints, opportunities and specific efforts at change. The scope of legal authority, the continued existence of a permanent bureaucracy, the division of power between the legislative and executive sides of government and finally the political culture of a long tradition of unreformed government in Newark are examined against the pressures of constituent demands for change. Among instruments and opportunities available to a black mayor, the study looks closely at new resources, structural reorganization of government, authority over personnel policy and the city budget. A final part of the study evaluates the city budgetary process as an instrument for change and focuses on efforts to shift both the process and outcomes during one budgetary cycle during 1973. Finally, some implications of the Gibson experience in Newark are drawn in light of current trends in black electoral victories in big city mayoralities and more general urban policies in the U.S. The following outlines the chapter division of the study.

Chapter 2: Political Events and the Impact of Political Regimes in Newark

This chapter introduces the case of Newark through an assessment of immediate forces shaping political events in Newark during the 1960's. Two issues are examined. The first is the rise of ethnic regimes in the post-war period. The second is the evolution of government under these regimes in ways which suppressed the rising of black demands for power sharing. The combination of the two forces culminated in the civil

explosions of the late 1960's, the fall of the ethnic system and a final black takeover of city government in 1970.

The chapter is divided into three parts. The first reviews the birth of 'ethnic coalitions' in Newark during the late 1950's, based on a balance of power and reward distribution between heterogenous blue collar constituent groups in the city. A second part of the chapter traces the breakdown of this post-war system, as white voting strength declines and nonwhite demands for power sharing increase. The overall shrinking of the city's economy and regional indifference provide additional pressures for the growth of conflict between blacks and whites over the political spoils of the city. A third part of the chapter reviews the final failure and fall of the Italian system with the outbreak of civil disorders and criminal indictments during the late 1960's.

Chapter 3: Rise of the Black Movement in Newark

This chapter looks at another side of political events which shaped the government changeover during the 1960's by assessing the rise of black power and its conversion to an organized force in electoral politics in Newark. Underscoring the growth of the black movement was increasing repression of nonwhite political drives as the rewards of government and the economic system contracted. Three phases of nonwhite political development in Newark are examined in the chapter. The first, during the early part of the decade of the 1960's, was characterized by development of two kinds of coalitions, one an experimental alliance with white

groups which agitated primarily for service improvements, an end to public clearance projects and a variety of other 'city hall' issues. A second was a black appendage of the dominant white ethnic machine which operated along traditional lines and was based on a limited sharing of power in city hall in return for the 'black vote'. A second phase of black political development grew out of the failures of these two coalitions. A series of increasingly organized ad hoc protests against public actions took place, challenging the increasingly 'corrupt' Italian machine. A third and final phase examined in the chapter is the formal organizing for electoral takeover in city hall which took place towards the end of the decade. Utilizing resources and ideological bases of the Civil Rights movement, new black politics and the rhetoric of the Great Society poverty programs, an electoral coalition succeeded in successfully promoting a nonwhite electoral slate in 1970. A final part of the chapter reviews the impact of the rise of black political power in Newark on the black administration which grew out of it.

Chapter 4: A Black Mayor in Office and Constraints on Resource Association

This chapter examines the constraints on a black mayor once in office in influencing change. A specific emphasis is placed on the constraints of an inherited government structure, state political setting and the local political cultural tradition. All of these forces acted to reinforce the already limited authority of an executive once in office.

The chapter reviews some of the limits for change the Gibson administration encountered initially in Newark, both external and internal. An initial part of the chapter examines the background parameters set by state and local government legal and political institutions; these severely limit change to respond to new demands on the local level. A second part of the chapter looks at the impact of overall limits in reinforcing conservative political traditions in Newark. The distribution of power between the legislative and executive, the autonomy of various parts of government and the role of civil servants are important factors in reinforcing a white working class ethos. This ethos favors maximizing blue collar jobs at the expense of the human services side of government. A third part of the chapter examines the pressures in the city environment for change. Two types of pressures were critical in Newark. One consisted of pressures from regional forces for reform, efficiency and contemporary management in government. Another constituted pressures from nonwhite voting constituents for qualitative changes in city services and a shift in benefits to favor nonwhites.

Chapter 5: A Black Administration in Power: Forcing Changes in Resource Allocation in Newark

Having examined the institutional limits on mayoral actions and the political constraints on change, this chapter evaluates the experience of the Gibson administration in trying to reshape government in Newark. Three key instruments of change reviewed in this context are: (1) revenue efforts and more general fiscal policy in the city, (2) structural reorganization of government units, and (3) appointments and personnel

policy. The Gilson Administration's efforts, strategies and final successes and failures in these areas, as well as some of the impacts on broader goals, are assessed. One major thesis tested is the question of 'choice' and effort by a city executive and what role this plays in outcomes. Given a complex set of problems, the choice and timing of particular efforts and the degree of commitment may explain the difference between the failures of some kinds of changes and the successes of others. Another important theme examined in the chapter is the relative vulnerability of institutions and values during the initial stages of government changeover.

Chapter 6: Impact of a Black Administration on the Budgetary Process

A final critical instrument for change in a city with stringent resource limits is the city budget. This chapter looks at the mayoral role in the budgetary decisionmaking process in Newark and particularly how executive actions influence changes during the budget cycle. Observations from the 1973 budget cycle in Newark are used to formulate a general picture of this influence as well as obstacles to it. Two main elements are reviewed in detail: (1) traditional budget groups, which ignore policy influence and promote traditional allocation patterns, and (2) the policy forces, represented in 1973 by a special ad hoc task force, tested for the first time during the 1973 budget cycle.

The chapter examines the budgetary process in Newark in the context of

current hypotheses about city budget making which suggest that the combination of long term commitments, resource constraints and conservative tradition result in creating substantial inertia and a budgetary subculture which dictates automatic outcomes. In this model, the policy or leadership influence from the center is minimal and priorities can rarely be addressed. The chapter explores these assumptions and examines how attempts to change past patterns were undertaken in the city. The key strategies, the process of efforts at control and finally the successes and failures in final outcomes are examined in selected service areas.

Chapter 7: Summary and Conclusions: Implications of the Newark Experience for Urban Policy

Having examined the case history and outcomes of the Gibson administration's efforts at resource allocation, this chapter summarizes some key themes of the study and looks at implications of the findings for other cities as well as for more general urban policy in the U.S. today. As the case themes suggest, while a city executive is weak to control most of the instruments for change available in government, marginal changes are nonetheless possible and can be important. Control over uncommitted resources and over the city governmental apparatus can extend the scope and depth of public actions in ways that may have important consequences in the long run for the disadvantaged. Beyond this, there are other implications about change. This chapter summarizes some lessons of the Newark experience first in the context of trends in the election of black administrations in other cities across the United States, then looks at some implications of the experience for more

general urban policy making.

The first part of the chapter examines the real limits and potential of black government for change, drawing on the experience of the Gibson administration in Newark. The successes and failures are reviewed against the 'opportunities' to use electoral gains for redistributing resources to black communities. A second part of the chapter examines the case of Newark for some indications of the appropriateness of current urban policy directions, particularly those on the Federal level, for assisting in altering stable and unresponsive patterns in local government activities.

Chapter 2: Political Events and the Impact of Political Regimes in Newark

Political events inevitably shape regimes by creating pressures and shaping the order and timing of responses. The flexibility of government systems in responding to new demands, changes and crises can be used as one measure of the "success" of institutional development in communities. Unfortunately, the picture of U.S. cities in the 1960's is not reassuring. Until the open urban clashes of the past decade, U.S. government institutions were considered by many analysts flexible in making adjustments to social and environmental demands as well as structural changes in the economy without resort to open conflict. The discovery that U.S. institutions had a repressive as much as responsive tradition required a revised view of institutions as positive and conflict reducing.¹

Several political background factors shaped government of post war Newark and contributed to the conflicts of the 1960's. Some were unique to Newark's tradition and geography. Others were more generally typical of American community change.

Newark had evolved a stable, unreformed government organization by the 1960's, based on a succession of parochial white ethnic political machines based on a heterogenous blue collar ethnic constituency. While the machinery of government which developed from this political organization was somewhat anachronistic for larger U.S. cities, the ethnic government system was important in balancing the needs of whites in a changing economy. Through a balance of power in government,

competitive ethnic constituencies were assisted in overcoming the social costs of dramatic economic change. The system was short lived however. Beginning in the early 1960's, the ethnic system began to fall apart. Increasing conflict took place between the remaining white groups, whites who could move did, and the expanding nonwhite population began to raise demands. Ethnic government acted first to partly accommodate nonwhites and then was forced into increasingly repressive actions to curtail the threat of black challenge to government power.

A second set of factors more general to post war U.S. cities which underscored government development was the dramatic shift in the city's economy. A large scale decline and suburbanization of industrial activities resulted in a contraction of employment when demand for industrial employment was increasing. The impact on the overall economic base was less visible in Newark, primarily because of expansion of corporate activities. Employing mainly white collar workers, however, corporate activities contributed little towards resolving the widening gap between labor supply and demand in the city. In fact, to the contrary, the presence of high level corporate activities served to justify increasing responsiveness on the part of state government in tax policy largely negative to city interest.² Another policy which corporate stability in Newark tended to generate was slum clearance, which increased social costs to the community. Meanwhile, the largely commuting non-resident workforce contributed little in consumer or housing taxes to support of the city.

An additional factor which underscores both the ethnic workforce dependency on government and the dramatic change in the economy was the phenomenon of an elite vacuum in Newark, to guide and shape local government operations. In contrast to many other cities of post war America, Newark's corporate elite had withdrawn as a presence in city government very early in the 1920's. Throughout the war and afterwards the large scale interests developed a pattern of 'handling' local matters through state government in Trenton, or possibly ignoring them altogether without risk. 'Handling the locals' was largely left in post-war times to paid lobbyists such as the Newark Chamber of Commerce and other business oriented groups. Corporate centralization also made local affairs and city location less important. While considerable inertia remained in actually moving out of Newark, there were clearly few obstacles particularly for insurance, banking and the large statewide utility, Public Service. What remained to fill the vacuum was a combination of small factory entrepreneurs, built on the artificial war boom economy and an assortment of other ethnic entrepreneurs active in illegal and quasi legal activities. The former group, increasingly marginal in a changing regional and national economy, tended to participate selectively in government and reflected the considerable economic insecurity of their position. This group was particularly strong during the early 1960's in joining the professional lobbyists in promoting highways, urban renewal and big police budgets to protect property against the encroaching blacks. The latter group, the illegals and quasi-legals, participated under ethnic government

heavily in government contracting and some city service operations, particularly where protection was involved such as in police operations.³

The absence of corporate leadership in Newark was also reflected in the shape of government itself. There was little managerial, administrative or efficiency influence such as that normally promoted by business backed civic 'reform' groups. There were few pressures for civic types of activities and the government development lagged. Newark's government remained very much the 'operations' oriented system, reinforced even more by ethnic leadership. Even the efficiency, managerially oriented Urban Renewal program created by Louis Danzig, the program's first director, quickly disintegrated under Addonizio into a porkbarrel contracting operation, devoid of market orientation and lacking in the local 'civic' touch.⁴

A final effect of the corporate vacuum and indifference was promotion or acquiescence to the almost entirely suburbanized workforce, despite the implications of this trend for the city. Newark's service employees literally left the city in post war times, aided by FHA mortgage supported suburban building booms. Some working class whites also left, escaping to 'blue collar' suburban locations closer to suburbanized industrial parks. Key corporate interests largely ignored the change, lent little assistance to nonwhite suburbanization and finally practiced open discrimination in hiring both working class whites and nonwhites. This served to reinforce commuter shifts of burdens on the city and fiscal segregation in suburban areas. Commuters also assisted in stopping state actions to reorganize the tax system as their repre-

sentation increased in the state legislature.

Black expansion and the subsequent political resistance to repression were key forces in change in Newark's political system. Rapid black expansion began during World War II, as blacks were attracted to expanded wartime employment in Newark. With a severe labor shortage blacks were hired in public and private industry alike. By the 1950's Newark's nonwhite population equaled the largest of the white ethnic groups and surpassed in numbers many smaller groups. In post war times, however, the severe economic downswing pushed unemployment up, increasingly discriminated against in a shrinking job market in Newark and segregated in housing outside Newark where jobs were expanding, blacks were increasingly pushed to look to the public employment system. Here however, things were bad, if not worse. While Italians were increasing substantially in lower scale public works employment, blacks were excluded almost entirely, even from menial custodial work. Ethnic patronage was the rule and blacks had almost no representation in local politics. A poor and very inferior appendage to the white machine operated to channel and reduce rather than expand power.

Black political organization in Newark developed primarily from the late 1950's on, spurred by a combination of government actions such as urban renewal, hiring discrimination on public contracts at a time when apparent victories were being won in the Deep South and ignoring of education system change. A series of spontaneous ad hoc organizing and civil rights protests were generated, underwritten by expanded ideologies and consciousness and civil rights veterans. The entry into

Newark of the Federal poverty program during the mid 1960's provided the additional resources required for definitive actions.

Organization of the Chapter

This chapter traces the chronology of political conflict events in Newark over the past three decades, and examines the impact of these events on government regimes in Newark.

Theories of political events and change paint two contrasting pictures of political conflict in U.S. communities. One suggests that government institutions are flexible to accommodate to changing values. While there are competing values and conflict in urban society in the U.S., these conflicts tend to get adjusted through representation and participation through a combination of participation in the political process and other institutional adjustments. A combination of fragmented power in and out of government as well as deeper agreements among people and shared values over democratic goals assist in making government institutions work.⁵

A contrasting view sees government institutions mirroring larger and deeper conflicts in society which, because institutions such as voting operate only sporadically, never get resolved. Underlying some of the absence of accommodation of institutions, however, is the domination of the value system and its institutions by key interests, particularly in the economic sphere. Thus government may serve not to mediate values and conflicts, but rather to legitimize some groups and interests and repress their opposition. There is no institutional or legal solu-

tion to this dilemma; repression or exclusion of alien values can be maintained over long periods of time. Key power interests are important in conflict. Because it is rarely in their interest to allow conflict reduction through institutional mediating, costs of conflicts are passed back to be borne by the society.⁶

The general hypothesis of the chapter underscores the themes of political conflict in government, most visible in cities. The chapter suggests that Newark developed a dual participation system composed on one hand of the apparatus of city government, adapted to the requirements of low status white groups and on the other hand of a repressive arm to maintain order between whites and blacks. Through government, growing competition between whites and blacks was reduced at a cost of black exclusion and division of rewards between competing whites. Because whites themselves were divided along ethnic lines, the system was fairly effective until the system became visible. Black protests increased during the 1960's and forced open repressiveness; costs to the external society became too great and safety valves were created. A power struggle between blacks and government culminated in a system of guerrilla warfare and the violence of the 1960's.

The system was greatly underwritten by the evolution of the regional economic system. Through deliberate decisions of the large corporate elite, the city was forced to absorb many costs of economic and social change. These are the underlying causes of social chaos visible in the riots and police violence during the late 1960's. The one device white lower classes of Newark had devised for themselves to

adjust to the negative impact of corporate decisions was eventually abandoned by regional interests who had initially favored 'ethnic' buffers to black control.⁷

The chapter is divided into three parts. The first looks at the decline of ethnic balance in shared rewards through the regime of Leo Carlin, Newark's first mayor following the government reform of 1954 from a commission to strong mayor system. The relationship between Carlin's struggle to consolidate power, attempts to expand his shrinking power base to the business community and the rise of Italian power and an eventual takeover of government utilizing the black vote is reviewed.

A second part examines the consolidation of power under Italian control and creation of an Italian machine to replace the ethnic balance system. Hugh Addonizio's Italian machine as an operating force and its impact on government operations is examined against the counter theme of increasing demands by blacks for a share in the rewards of government.

A third part of the chapter looks at the disintegration of the Italian machine, as the exclusion of blacks increases alienation and shifts the government into more repressive posture. The shift from 'accommodation' and marginal sharing to open coercion with growth in threat of a strong organized black political thrust provides a final blow to the machine system.

B. The Ethnic Balance System in Newark

1954 marked the beginning of state instituted reform government in Newark and the changeover from the half century old, problem-ridden

Commission government to a strong mayor-council form. It also marked the ethnic machine systems which centralized power and patronage and reduced the former fragmentation of five parts, corresponding with the five commissioners. Although the Commission form itself had been introduced as a 'reform itself', at the unusual urging of the state's corporate elite community, by the late 1940's and early 1950's, commissions had come to be known in New Jersey as 'five-headed monsters', snapping up and dividing the spoils of government freely along ethnic lines in the northern part of the state.⁸ Under the flourishing county machines, dominated by Irish bosses, the commissions of Essex and Hudson Counties, helped in generating a large business in building contracting, services and materials purchases and, above all, employment, all divided among county bosses and commissioners. There was little central administrative apparatus or service content in the philosophy of the commission, and operations were emphasized to generate lower-skilled employment to provide rewards for votes in blue collar cities. In Newark, the changeover to the strong mayor disrupted but did not destroy ethnic politics in Newark. It did, however, raise expectations of the Italians. Following a period of conflict and competition between various factions of dominant ethnic groups, the machines won out and the former county system disintegrated.⁹

Between 1955 and 1970, Newark elected two ethnic machine mayors, each serving two terms. Leo Carlin (1955 to 1962) was Irish American and represented the last influence of the Essex County Irish machine in Newark. Hugh Addonizio (1962 to 1970) represented fulfillment of Italian-American hopes to control Newark city politics, as well as a

strategy new to Newark, using the black vote at minimal cost. Despite ethnic differences, however, Carlin and Addonizio had much in common. Both appealed to distinct ethnic voting constituencies, largely lower classed whites. Both also had strong connections with traditional county organizations, though in different dimensions, and both had important links with organized labor in Northern New Jersey. The success of county machine politics in the city and of its initial candidate offerings was made possible primarily by the coalition and balance between white constituent voters and beneficiaries, county bosses and labor. Carlin and Addonizio also had a common goal to centralize the power and patronage rewards of city government which were growing rapidly, under personal regime structures.¹⁰

1) Leo Carlin: 1955 to 1962

Leo Carlin was mayor of Newark for two terms between 1954 and 1962. Carlin was a traditional Northern New Jersey political with very traditional political origins. He was of Irish origin, had served as a minor official in a teamsters union local, was tutored by the then machine 'boss' Dennis Cary and quickly moved into Essex County machine politics. This resulted in his appointment to his first public post as President of the Newark Board of Education, a job which administrated a very large patronage pool. He subsequently ran successfully for Public Works Commissioner, yet another lucrative job, which administrated a large workforce of primarily unskilled workers in sanitation services and some of the city's larger construction contracts. As Public Works Commissioner, Carlin had an ideal spot to run for mayor with the charter change in 1954. With county machine support, Carlin easily

captured Newark's mayoralty.

In office, Carlin was immediately embattled with the 'new' Italian dominated Council and its older conception of ethnic division of power between the dominant groups of pre-war Newark, the Italians, Irish and Jews.¹¹ He tangled first with the now ward based Council to gain control over the city, then shifted to support an essentially externally oriented urban renewal program. Under the ward based council, however, much of Newark's patronage -- including public housing -- was still subject to council veto power, thus continuing fragmentation of patronage in the city. The Italians, for their part, saw through the Carlin move with renewal, accused him of courting the business community at the expense of the poor through urban renewal and turned to the very large, untapped resource, the black vote. As one observer suggested, Italian Americans saw a potential coalition with the blacks in the future and dissatisfied with progress in the new power-sharing under Carlin, decided to act.¹²

Italian-Americans shared political power with the Irish Americans and had elected several councilmen under the new charter and commissioners under the old. Italian power could become the dominant force in Newark politics if an anti-city hall coalition could be forged and blacks were the likely candidates to join.¹³

Newark's urban renewal program, one of the country's first, represented Carlin's attempt at a flirtation with business interests in the city as well as a device for centralizing power by removing public housing as a source of Italian patronage. Until that time, Newark's enormous public housing program initiated during the late 1930's was allocated

along ethnic and geographic or ward lines. Urban renewal promised to shift the Newark Housing Authority in a different direction.¹⁴

Traditionally disinterested in Newark city government affairs, key business interests had only briefly tested and failed at a push for 'reform' in pre-war Newark. Carlin's attempt largely failed. While the elite corporations, such as Newark's two big home based businesses, Prudential Life Insurance and Mutual Benefit Life Insurance, were willing to finance rebuilding of corporate headquarters in Newark's downtown under the city renewal program sponsorship, few banking and financial interests, or the state's large utility with headquarters in Newark, Public Service, were willing to participate. None of the life insurance companies were interested in other redevelopment activities, such as housing. Moreover, there is some evidence that general interest in Newark at all was marginal as many planned to relocate growth outside the city in expanding commercial centers.¹⁵

Another error of Carlin was to shift to a 'tight' tax policy to court business interests. The fiscal policy, though necessary to support the large renewal program drain, meant very little in terms of meeting the rapidly declining tax base of the city, largely the result of housing and industrial decline. Moreover, as increasing amounts of taxable land removed for urban renewal failed to interest investors, tax gains were largely lost.

Carlin's other thrust against the Italian interests in government also failed. As Harold Kaplan pointed out in his study of Newark's renewal

program in the early years, while Carlin was a good political manager in some respects, as in the case of keeping urban renewal out of the ethnic porkbarrel for a time, he failed to see the threat of the shrinking rewards in government.¹⁶ With less patronage in city services and with fewer taxes to pay for city services, the Italians inevitably turned to the urban renewal program and its growing employment and construction contracts.

Carlin's greatest error in political terms, however, was to fail to anticipate that the political balance of power in Newark lay with the growing black population and, particularly, its management in the voting arena. By Carlin's second term Newark had its first black councilman, the self-styled black machine chief, Irvin Turner. Turner's entry into office, unlike that of Italian politicians, did not signal to Carlin a slice of the ethnic spoils, either of patronage contracts or jobs.¹⁷

Turner himself first courted Carlin, then in 1962 turned to ally himself with Hugh Addonizio, the Italian-American congressman in whose district Turner's ward lay:

Turner's chief criticism of Carlin was that he had not acted on his [Turner's] choices for patronage appointments. At that time the mayor was as insensitive as most other white politicians in the city...to the needs of the black community.¹⁸

The Turner-Addonizio alliance was largely a marriage of convenience to remove Carlin. Carlin never recovered from his error of judgment politically. He ran unsuccessfully in 1966 against the then popular Addonizio, then, with his Essex county support in disarray, disappeared into oblivion.

2) Hugh Addonizio: Rise of Italian Power in Newark

...For Newark's blacks, Addonizio promised better schools, more housing and a decrease in crime. While not appealing directly for fear of alienating his major supporters, he left the impression that their days of exclusion from city hall would come to an end. So black voters gave Addonizio a large vote--they simply could not identify with the Carlin administration.¹⁹

While Hugh Addonizio's political career had much in common with Carlin, his route to city hall via the U.S. Congress contrasted somewhat with that of his Irish predecessor. In contrast to many Italian Americans in Newark, Addonizio's father was a small tradesman rather than a blue collar worker. After a start in his father's business and completion of a night school law course, Addonizio entered private law practice based on connections with local labor, Italian politicians and some 'school friends' later to connect him with organized crime.²⁰

In 1950, Addonizio entered politics, running successfully for Newark's congressional seat and managed to hold the seat for the following 12 years. While he was known as an uninspired legislator, he did learn an important lesson in packaging his dwindling Italian vote with a growing nonwhite one. This was essentially the key to the mayoralty. He carefully kept a liberal voting record and repeatedly sustained a large popular vote. In 1962, at the urging of friends he decided to try for Newark's mayoralty.²¹ Once again the Italian-black combination paid and Addonizio captured a strong majority against the incumbent Carlin.

The 1962 Addonizio victory generally signaled the demise of the older ethnic balance system and its replacement by centralized power and a

new Italian machine. In 1962, it also signaled symbolic gains for the Italians. Frustrated with a shrinking economy and blue collar employment and tired with the 'wait' for their turn at the spoils of public office, the Italians were ready to vote for almost any Italian. Addonizio's appeal, while not open, was a clear promise to end the sharing with the Irish.

He [Addonizio] appealed to the Italians' resentment of Irish domination of the city's politics by charging that Carlin ran a machine that dominated city hall for 20 years. He expanded on this theme by denouncing Essex County Democratic Chairman Denis Cary's endorsement of Carlin as another example of the mayor's indebtedness to a sinister political organization.²²

Another part of the Italian-ethnic appeal was the alleged connections between Carlin and big business. Addonizio accused the Newark Evening News, one of the city's two dailies which had endorsed Carlin, and the state's giant utility company, Public Service Gas and Electricity, of having used Carlin to get property assessments reduced, leaving the poor homeowners to make up the lost taxes. The strategy worked and Addonizio carried every Italian ward by an overwhelming margin.

With the blacks, Addonizio tried a delicate route. While he adopted as his slogan 'A mayor for all the people', he carefully refrained from any promises which would be viewed as 'pro black' by blue collar Newark. He did take Irvine Turner, Newark's black congressman under his wing, and promised to make the Turner alliance worth Turner's while in return for the black vote.²³

C. Addonizio's First Term: Consolidation of Power and Development of the Italian Machine

Addonizio's 1962 election represented at once a break with the ethnic balance system and a continuation of the highly traditional political style of Newark where friendships, bargaining and negotiations behind closed doors characterized settlement of most conflicts. The key difference with Addonizio, however, was a drive toward centralization of authority under the mayor and development of a highly personal power structure.

In city hall, Addonizio confronted the Council with the new Charter and let it be known that the mayor controlled the spoils. He set about to eradicate the internal, informal ethnic 'shares' in the employment system by dismissing employees, especially the Irish, and, utilizing power of the charter, replaced higher level appointments with his own people, mainly Italians. As Barbaro pointed out, little was sacred during Addonizio's first years and the by now Italian dominated council did little to stop his thrust:

He [Addonizio] cleaned house at city hall and moved in aggressively to control all governmental agencies including semi-autonomous agencies like the New Housing Authority established by reformers in an attempt to deny politicians direct control over their operations. As Harold Kaplan describes it, the election was followed by one of the most radical changeovers in government personnel Newark had witnessed in many years. Almost all of the leading city hall officials (including civil servants with tenure) resigned and their positions were filled with a crop of new men.²⁴

In adding over 500 new jobs to the city payroll during his first years of administration, Addonizio was able to distribute a considerable

amount of patronage, build a solid base at city hall while at the same time claiming to be building new service areas. When the Council grumbled that they didn't get a say in the job distribution or that the jobs were unnecessary and a burden on the city's finances, Addonizio responded that the Council was narrow and believed that only uniformed personnel were essential to the city's operation.²⁵

Another means of control was exercised through a careful maintaining of the unreformed, 'operations' organization of the city. Addonizio was able to mould the city's operations into a machine tailored to serve the needs of constituents and business support.

While Addonizio argued that the Council only wanted the 'uniformed' services expanded, his administration was completely traditional. Traditional divisions of labor, hierarchical organization and work task organization were maintained. A great deal of the actual work was highly routinized in order to maximize the numbers of jobs and avoid problems of output changes. Any innovation, planning or managerial control was minimized, in part because it looked at efficiency questions and in part because it tended to challenge the competency of the new middle management in Addonizio's regime. With regard to the central administration of city affairs -- the budget and finance functions, accounting and the like, these were in many cases reduced to bookkeeping operations, little power was delegated downward and most policy came from the mayor's office.²⁶

Addonizio's patronage system organization was most visible in the areas

of employment and contracting. As suggested earlier, a key factor in the Addonizio system was linking jobs to votes. He had come into office with the Italian vote and the black vote. He tended, once in office, however, to respond first to Italians and as little as possible to blacks, as long as he could get away with it. A few symbolic and highly visible appointments of blacks were satisfactory for a time and at the same time resolved his problem of potential alienation of white workers.

Employment strategies followed Addonizio's considerable links with Italian organized labor in the city. Regional trade unions dominated city jobs such as construction and sanitation where most Italians were hired in private industry. The city repeated the pattern. Under Addonizio, the Italian dominated unions moved in to define public jobs, to define entry requirements, seniority and promotions through similar apprenticeship rules and other rules which dominated private sector employment. Supervisory personnel and foremen as well as many 'skilled' labor categories were hired from union nominations.

In the stronger civil service categories such as the uniformed services of police and fire, Addonizio had more trouble. After the war, the Irish who dominated these work areas of local government moved on the state capital in Trenton and managed to pass strong civil service requirements, as well as a bundle of side benefits in pensions, veterans' preferences and hiring preferences for those employed before the war. As a result, cities like Newark were subject to very special treatment and a kind of 'lock-up' on pre-war positions, titles and

personnel, many of whom were Irish. Irish veterans who were patrolmen or firemen before the war thus found themselves in the best positions in the hierarchy of uniformed services after the war.²⁷

Addonizio never fully controlled the fire department in Newark and managed to gain control over the police only through use of strong persuasion on new recruits and promotions to favor Italians. With an aggressively pro-Italian police director, Dominik Spina, later to be implicated by both the F.B.I. and Justice Department with an extra-legal police department system operating protection service for organized crime, Addonizio found a means to by-pass the civil service system and the Irish. Spina utilized considerable discretion in top promotions, especially into the lucrative detective system and many of the Irish were simply isolated in 'bureaucratic jobs'. In new hiring, true to the Newark parochial system, much recruitment was through links to government, through family, friends or Addonizio organization loyalties. Many were hired, despite the existence of civil service in the state, outside hiring rules.²⁸ Given the state patterns of enforcement and the suspicion of the general public about Spina's connections, few potential employees challenged the pattern. Thus, by 1970, after two terms of Addonizio, the city personnel office estimated that 3/4 of the new uniformed personnel recruits were referred by relatives or close friends.²⁹ Many workers were hired under 'provisional' appointment rules which were then extended indefinitely.³⁰

1) Centralization of Power II: Urban Renewal and City Fiscal Policy

The dominant part of Addonizio's thrust and many of the objectives of

his gaining city hall in the first place, lay in the sphere of contracting, particularly of building construction. This was unquestionably where the opportunity for personal monetary gains lay in machine style operations in Newark as elsewhere. It was common gossip in Newark at the time of the riot investigations that the mayor's office was worth a minimum of 'a million' annually, most of this earned from kickbacks on public works construction.³¹ Building construction expansion had an added advantage in Newark. It overlapped nicely with the Italian dominated construction workforce, always victims of private business construction cycles and seasonal downswings. Many of the key building contractors, materials suppliers, equipment rental businesses, were also Italian and there was always the suspicion that some if not most financing of these operations was supplied from the Italian wing of the syndicate.³² The search for expansion of the construction output led Addonizio directly to the burgeoning urban renewal program and inadvertently directly into rising black hostility. A key effect of Addonizio's preoccupation with contracting, however, was not black unrest but was the city fiscal policy and economic base.

Addonizio was barely in city hall before he turned to the city's urban renewal program. The question had been raised during the election about the role of the business community and collaboration between big business interests and Leo Carlin. While Carlin undoubtedly needed and probably courted Newark's corporate elite, there is little evidence of reciprocity. Harold Kaplan, who studied the politics of Newark's renewal program at its initiation, suggested that the real strategy

behind renewal was the 'separation' of the program from the politicians in city hall and the porkbarrel tradition of Newark.³³ The genius behind the Newark renewal program was a new type to Newark, Louis Danzig, a personality who probably epitomized Jewel Bellush and Murray Hausknect's model of the 'entrepreneur'.³⁴ Danzig, along with Robert Moses in New York City, was important in getting the initial legislation drafted and set up Newark's program as a 'model' of managerial efficiency. While initially Danzig (as Moses in New York) distributed the public housing program in ways that satisfied the politicians along ethnic and geographic lines, by the time of urban renewal the situation had changed. Urban renewal was not a 'distributional' program, adapted to ethnic rewards, but rather addressed needs of the economic community. It required centralized administration, tight control over expenditures, careful accounting with the Federal government (especially following a scandal in neighboring New York City which contributed to the downfall of Moses)³⁵ and, above all, a search for serious private developers and capital. By getting in on the ground floor on the renewal program, Danzig managed to rev up the program to a strong start imprinted with his entrepreneurial efficiency orientation before the Italians got in power.

Addonizio was faced with a considerable dilemma in squaring off with Danzig and renewal. On one hand there was the considerable potential patronage of the operation in staff jobs. By 1962, the Newark Housing Authority comprised a staff of over 2,000 jobs, many in clerical and even blue collar work categories associated with public housing project

maintenance.³⁶ Furthermore, the operating budget was exceeded only by the Board of Education. Most important, however, was the fact that the Housing Authority with the combined public housing and urban renewal programs, was literally a construction contracting machine. As the biggest dollar value program in the country of the time, urban renewal activities alone projected \$259,405,000 of construction in combined public and private projects in 1966 and an additional \$130,000,000 was projected for public housing.³⁷

Despite the theoretical autonomy of the Newark Housing Authority, Addonizio moved in, opening the technical and administrative staff to his nominees and lower staff jobs for patronage. Secondly, he established claim over contracting and encouraged (or let it be known) that certain contractors were to be favored in development.³⁸ All in all Addonizio substantially succeeded in increasing his span of control over the spillout benefits of the NHA, without substantially altering the direction of the program in development terms, at least initially.

It was in terms of program direction during a latter phase that Addonizio essentially failed, when he backed the program's slum clearance against blacks. During the first few years of his administration, Addonizio essentially was content to draw down on patronage while leaving Danzig control over planning and marketing of sites in renewal. Danzig's plan was complex, but he essentially focused strongly on downtown redevelopment (including the clearance of some old industrial slums) and steered clear of residential areas with the exception of the hard core slums of the Central Ward, where he tended to replace

slum housing with public housing construction. For Central Ward blacks, while there was considerable cost imposed on those relocated, most favored the program on the whole. Public housing was a substantial improvement over the deteriorating private housing slums. As long as public housing production remained high and clearance was confined to the hard core slums, there were few objections to the program.³⁹

Around the mid-1960's, however, the Federal program shifted sharply and Danzig with it. Public housing ceased to be what it formerly was, a low density program, designed primarily to house lower middle income families and blend in with existing neighborhoods, possibly contributing in open space and services. The program shifted now to a high density, least cost approach, devoid of amenities. In addition, the Federal input drastically declined. Newark responded by shifting some of its cleared land into other uses, notably institutional since few private interests were willing to build in the ghetto areas. Public projects which were constructed were drastically altered in design terms, changing to high density elevator towers set in a sea of asphalt, completely cut off from surrounding neighborhoods.⁴⁰

With the drastic removal of low income families from cleared sites, adjacent areas soon began to feel pressures as the supply of lower priced housing dwindled. As more housing eroded with influx of the poor, areas adjacent to the Central Ward became high priority targets for extension of renewal clearance. Extension into one area, a transitional black-Jewish area first felt the impact of the expanded program and challenged the renewal authority. This action and a hard line

response from Addonizio essentially kicked off black resistance to Addonizio.⁴¹

While transitional Clinton Hill, directly south of the Central Ward, was still middle class. Already strained from the flight of Jewish families and the flight of the poor from clearance, many of the black homeowners greeted the news they were targets for 'industrial clearance' with alarm. As if the clearance proposal were not enough, the community then found itself slated to be partly cleared for two highway projects. One, an Interstate, promised to separate the small area from the middle class areas of Weequaic, one of Newark's better, suburbanized neighborhoods. The other, an interstate 'connector' (connecting two interstates), would sweep through the neighborhood, demolishing its East side. The community reacted swiftly, generated outside organizing interest and went to battle the renewal authority. Joined by businesses also scheduled for demolition, the project was eventually 'shelved'. But considerable bitterness remained. The Clinton Hill affair was later to be remembered and connected with Addonizio's 'secret agenda' to 'clear out blacks in Newark'.⁴²

Through the initial phase of Addonizio's renewal strategy, he was content to keep a low profile and put Danzig out front. Despite campaign promises to build more housing for blacks, however, the NHA shifted sharply to clearing slums for middle income and even luxury housing construction.

During a second phase of redevelopment policy, however, some of

Addonizio's politics became clearly perceived as 'anti-black'. When blacks organized against construction of institutions on cleared land, notably the famous New Jersey Medical School, Addonizio emerged and made a strong defense of the renewal program, adding some personal touches. When blacks were still dissatisfied with the highway proposals (which remained, though renewal was shelved), Addonizio held widely publicized press conferences arguing that the highway project was still essential to the business community, that it was unalterable and that he personally had got state agreements to build a 'linear buffer' park along with it. The problem with the linear park was that it doubled clearance and was unusable for community purposes.⁴³

The core of the new Addonizio strategy, however, was the medical school site. While the project was not initiated by Addonizio, by the mid 1960's Addonizio had become its primary advocate in the state.

Prior to 1962, the state had considered Newark for location of a new state university faculty of medicine and dentistry. Later, additional sites outside the city became more competitive and the board decided to reconsider the Newark site.⁴⁴

Addonizio responded to the school's uncertainty by waging a hard personal battle, both behind the scenes in Trenton and publically. As one aide recounted to the New Jersey Riot Commission later, the city was so determined not to allow the school to back down, at supreme costs the city offered to double the clearance area of the Central Ward initially promised.⁴⁵

2) Addonizio and the Black Community: End of the Honeymoon

While Addonizio's election strategy continued to work through his second election in 1966, in years immediately preceding his return to power with the black vote, the relation was souring. While initially blacks were optimistic over the hints of change and counted heavily on Addonizio's liberal voting record in Congress as well as his alliance with Irvine Turner in the Central Ward, the first few years of the administration saw little change in city policies and a few damaging directions. Blacks were also increasingly conscious, as were the Italians before them, of their increasing numbers. Local leaders began to talk of 'voting strength' and the prizes in city hall.

The undercurrent of complaints from blacks against Addonizio had a wide range. In addition to the renewal program mentioned earlier, there was systematic exclusion in the rewards of city hall. Many blacks perceived that Addonizio's real black strategy was to use the blacks to justify an expanded social service system and police system which mainly generated jobs for whites. The more black problems grew, the more the city budgets grew and the more expenditures grew, the more white employment expanded. Newark was indeed developing into a 'colonial' ghetto in the estimate of many.⁴⁶

Addonizio did little to dispel these suspicions. A few symbolic jobs were created for blacks in city hall, notably that of Director of health and Welfare for a black woman political supporter, Laurie Stalks. The budget director (later to become controversial during Addonizio's second term) was also black, though a man quite qualified for the job

as New Jersey's first black CPA.⁴⁷ Some employment expansion for nonwhites took place in city services. More than likely, however, nonwhites were employed in the very low levels of public works, and in functions 'less desirable' such as sewers and streets where the work was dirty and hard.⁴⁸ In areas adaptable to skill levels of nonwhites such as parks and recreation, cultural services, blacks were notably underrepresented even in heavily nonwhite centers. In contracting employment on public sites, there were few attempts made to integrate work crews and most construction sites in black neighborhoods were characterized by entirely white work crews.⁴⁹

By the eve of Addonizio's second term, black resistance had already grown to serious proportions and Addonizio's response in turn less conciliatory. In addition to the hard line he was taking on urban renewal- the police were increasingly coercive and escalations in arrests took place.⁵⁰ Civil rights leaders began protesting arbitrary arrests and calling for a civilian police review board. By 1966, black protest and organizing was in full swing. Addonizio's attempts to undercut the Newark Poverty Program, increasingly active in supporting protests, legal actions and general organizing, were viewed as the emerging of yet another sanction. While initially Addonizio had attempted to manipulate and get control of what he considered to be potential 'patronage', by the mid 1960's he was threatening the board with some kind of direct actions. The attempts largely failed and acted to create an even stronger hostility between the emerging black leadership and city hall.⁵¹

3) Impact of the Addonizio Machine on City Government Administration

Addonizio had little interest in the administrative structure of government and like most machine leaders, tended to view reform and 'efficiency' as threats to discretion in control over city resources. Little structural organization reform took place, there were few programs initiated to streamline, or change the 'operations' approach to the city functions. Areas of accounting, taxation and budgeting took a back seat to political decisionmaking. One effect was a deteriorating fiscal situation in the city.

During Addonizio's first term, the city budget continued its steady climb, increasing over 10% between 1962 and 1966. The revenue picture, however, was bleak. While the city raised revenue to cover the increased expenditures, growth in the city's assessed valuation, on which a large proportion of budgeted expenditure depended, slowed from an annual growth of 4.88% during the prior electoral term, to 4.09 under Addonizio's first term.⁵² Part of the decline was attributable to the city's massive urban renewal program which, despite optimism during the late 1950's, was slow to interest developers. Acres of demolished taxable values had taken place and little replaced it by the mid-1960's. Further, as the renewal program went slowly, renewal planners increasingly turned to replacement projects which were either subject to special tax treatment, such as housing, or to tax-exempt institutions such as county government offices, religious institutions, state higher educational facilities, etc. Another force contributing to the decline, however, was the state. During the mid 1960's, following an incredible

move by the New Jersey Legislature, the city was forced to remove a substantial proportion of assessed valuation from the property tax base. In Newark, this removal of the business personalty tax cost the city 12,000,000 in 1966 tax dollars in tax income. Despite warnings from fiscal consultants called in to evaluate the capacity of the city to finance the massive renewal program, the Addonizio administration neither fought the tax base removal, nor tried for a reasonable state replacement formula.⁵³

With the growing crisis, Addonizio's key strategy was an annual manipulation of the tax rate. The trick was to keep the rate fairly steady in appearance without actually reducing operations wherever visible rate hikes would harm political chances. This policy, largely agreed to by the Council, was primarily an 'election year' strategy, where selected items -- usually welfare assistance or services, such as health, would be cut. The tax rate would then subsequently drift upward during off election years. While the technique is not unique to Newark, by the mid 1960's it had assumed somewhat questionable proportions.⁵⁴ With the assistance budget too small to conceal magnitude of increases, other areas had to be sought. In 1966, for example, \$117,954 was 'cut' from salaries and wages of the Hospital budget; however, this was not accompanied with a cut in workers.⁵⁵ In the 1969 election year, the tax rate remained 'stable' despite the fact that a generous 'election' bonus of \$2,000 per non-uniformed worker was put into the budget.⁵⁶

The absence of a strong administrative-technical staff and good relations

with the state government undoubtedly hurt fiscal policy. Addonizio tended to fill the fiscal administration parts of government with competent people, but the jobs themselves were largely insulated from the 'political administration'.

This left political aides largely in control over fiscal areas, or, as sometimes seemed to be the case, a vacuum. As one budget examiner who had worked under Addonizio put it, 'there was very little in the way of budgetary analysis'.⁵⁷ In the absence of responsibility both in the areas of spending and fiscal control, the older fragmented system took over, reducing the budget office to a 'paper processing agency' servicing the needs of operating divisions. Both the budget and finance office remained poorly staffed, the budgetary process unorganized, and budget decisionmaking dominated by the chief clerks of the operating divisions who closely guarded department accounts, prepared requests and dominated meetings during the cycle. Fragmentation was symbolized by the budget document itself. Divided into 12 separate volumes, with the key spending areas allocated in a separate document, there were no totals visible for analytical or communication purposes. Only the state submission, which contained no information on requests or executive actions (only final budget figures) showed expenditure and revenue summaries.⁵⁸

As suggested, city-state relations were never good. New Jersey's largest municipality was especially poorly represented in the post-war period with the withdrawal of a good deal of its middle income whites to the suburbs, where, in turn, they voted against the city in state

politics.⁵⁹ Under Addonizio, however, there few improvements and the situation may have deteriorated as Addonizio's ambitions for the state house grew. Traditionally a low tax state, the actions to remove more of the taxes in high tax Newark, were in line with business influence on city politics through Trenton rather than through City Hall. Addonizio mildly protested the state action on taxes and on changes in grant in aid formulas and encountered considerable hostility. On the other hand, with the urban renewal program in trouble and the apparent stagnation in economic development in the city, it is not at all clear that he was unfavorable to the state action.

By the late 1960's, Addonizio needed state assistance badly. The 'threatened' withdrawal of the state medical school from its proposed Newark site would have left a considerable gap in Addonizio's plans to clear the Central Ward as well as a relatively unmarketable clearance site. In addition, The Newark Housing Authority pushed strongly and got yet an additional commitment from the state to condemn and purchase a right of way for the proposed route 75 connector, part of which was reimbursable from Federal Highway Trust Funds. While Addonizio could not be blamed for the state's general reluctance to view the city's fiscal problems seriously, his state relations seemed to be characterized primarily as efforts to gain state participation in construction schemes, rather than some general fiscal reform and improved tax policy.⁶⁰

D. Addonizio's Second Term and the Rise of Black Unrest

Hugh Addonizio's second electoral victory in Newark's mayoralty was seen by the local press as a big one which practically set him within sight of the Governor's seat in Trenton.⁶¹ He was reported to have run a well organized campaign out of fifteen offices, scattered throughout the city, staffed with young enthusiastic volunteers. The press avoided mentioning the last minute black candidate who would force Addonizio into a runoff. The press, like many whites in the city, could not begin to conceptualize an organized black voting block in the city, nor a black candidate, so convinced was it that Addonizio held the votes of the rapidly expanding nonwhites closely.

For Hugh Addonizio and his aides, however, the candidate, Kenneth Gibson, undoubtedly signaled a different set of questions. It suggested that Addonizio's 'black vote strategy', the tradeoffs of the black vote for token employment in public jobs and a partial entry into the Italian machine, were increasingly perceived for what they were, primarily public relations level shows of sympathy to the black problems. Moreover, the indifference to problems such as the hospital (a city facility increasingly subject to criticism by its mainly-black clientele) and the perceived use of urban renewal slum clearance, manipulation of the black controlled poverty programs and, finally, the Addonizio police policy to control blacks were increasingly perceived as the real 'Addonizio' strategy for blacks. The test run of a black candidate and his showing at the last minute seemed to confirm the changing mood of the blacks in Newark.

Addonizio's victory in 1966, except for the Gibson showing, was a relatively easy one. His strongest opposition candidate was the ex-mayor Leo Carlin, attempting a comeback with the support of the now crumbling Essex County Irish machine. As a challenger, Carlin posed almost no threat. He had little to offer any one for a vote in Newark with almost no white ethnic voting base and since he was anti-black, he was hardly an alternative for the second largest block in the city. Carlin later withdrew, leaving Addonizio the automatic victor in the general election. Before this, however, Kenneth Gibson entered, forcing a runoff between Carlin and Addonizio.⁶²

Gibson, a black city engineer, was vice president of the black dominated OEO supported United Community Corporation, the city's community action agency. He had been generally active in civil rights in Newark, was known as a moderate and active in organizations seeking to promote dialogue between the races and between business and civic groups and blacks in the city. He was persuaded very late in 1965 to run against Addonizio as a 'test' of voting strength in the black community. He announced his candidacy only six weeks prior to the primary, had no campaign organization and \$2000.00 in campaign funds.⁶³ Despite these handicaps, Gibson finished third, polling a surprising 16,250 votes and forcing a runoff between Carlin and Addonizio in the final election.⁶⁴

While Addonizio received the black vote in the election overwhelmingly, there were rumours that the 'support' was subtly if not openly coerced.

Welfare clients learned that a Gibson vote would strike them from the rolls. People on waiting lists for public housing or government jobs learned that their positions

were related to their vote. It was also contended that Addonizio enlisted the help of "old-line machine" Negroes to see to it that new black voters were allowed to register only as Democrats.⁶⁵

Addonizio's 'victory' was also mixed on the side of whites. While Carlin officially withdrew before the final runoff, he nonetheless polled a substantial number of votes.⁶⁶

Addonizio's second term was characterized by the playing out of three types of interrelated events: (1) increasing attention to urban renewal programs in the Central Ward, now seen as key to the city's future, (2) rise of the police system as an arm of government-machine maintenance, first as a day-to-day enforcement mechanism and finally as an armed attack force during the rebellions of 1967 and 1968, (3) the corruption trials of 1969 and 1970 which resulted in the final collapse of the Italian machine. Underlying these key events was a miscalculation of the level of organization of Newark blacks as well as the willingness of regional forces (i.e. the State, the corporate elite in Newark, the press) to support the maintenance of white power in Newark at any cost.

While Addonizio had generated suspicion and dismay among black leadership almost immediately after his first victory in 1962, by his second term disenchantment had grown to drastic proportions. In essence, the Addonizio regime failed to perceive the value of the vote, or the perceived distance between values of black and white votes. While there had been some increases in employment in city jobs, blacks remained disproportionately underrepresented in key black issue areas, namely on the teaching staff of public schools, in highly visible employment

such as police and fire departments and on public works construction. During the second term, there were only slight improvements. In 1967, only 25% of Newark's public school teachers were nonwhite out of a total workforce of 3,500, and only 15 of approximately 1,600 policemen were nonwhite.⁶⁷

In the many public works and public related construction rising all over the city under renewal, craft dominated unions assured that almost no nonwhites were employed, generating large scale protests in black communities. Addonizio's actions in turning over the Federal training programs during the period to Italian craft union leadership to 'implement' generally meant more whites than blacks were served, and Federal funds themselves went to assuring development of a strong licensing practice against nonwhite construction employment in the city.⁶⁸

Between 1966 and 1970 there were a series of mounting protests against the Addonizio regime in Newark, handled with a characteristic public relations manner by the mayor, though there were suspicions in black Newark that the police generally reinforced the Mayor's policy with a strong arm. Key among protests were those over the public education system, over the hospital and health situation and over the police.

The schools' situation was grounded in the increasing indifference of the institutional organization to the community, as the school population became increasingly nonwhite. Addonizio tended to reinforce, rather than assist, in the alienation of nonwhites to the school function in Newark. In 1967, of 80,000 students, 80% were now black or Puerto

Rican and 90% of the students had tested below national reading levels. Meanwhile, the School Board remained indifferent and even hostile to nonwhite demands, with notable exceptions of the few black members. The teaching staff was largely white and by the late 1960's increasingly suburbanized and, among other things, an attractive target for union organizers in neighboring New York City to play out national political ambitions. Newark, in fact, became a test case for settling a long-standing rivalry between two competing unions, the older American Federation of Teachers (AFT) and the New York based United Federation of Teachers (UFT).⁶⁹

Blacks had become involved in the school situation in the early 1960's pressuring for integration of the teaching staff and more Board representation. While by the late 1960's blacks had articulate black leadership on the Board such as Harold Asby, the Board remained weak without support from city hall against a teacher takeover of policy. In 1968, the grievances in the schools broke out into racial violence between students in a high school in the mainly Italian Vailsburg section of the city. Black students then boycotted the school, pressuring for more representation. They were supported by Civil Rights groups, and black members of the Board itself. As a result, the Board broke its contract with the teachers union and in 1970, when the teachers' contract expired, they walked out. A particularly bitter strike followed. A few years earlier blacks had already been outraged by what they considered 'sellout settlements' to white teachers. They also trusted Addonizio very little. It was Addonizio a few years earlier

who had appointed a white political crony with a high school diploma over a black with a graduate degree in public administration and a state CPA license who was serving as his Budget Director, as head of the school administration. It was also Addonizio's administration which repeatedly undercut attempts to get school construction sites, among other projects in the city, integrated with nonwhite journeymen and apprentices. The school strike thus presented a good test of Addonizio's willingness to meet some black demands, at what was considered a fairly minimal cost. Just the opposite happened, however. While 200 teachers were arrested during the 1970 walkout, behind the scenes Addonizio personally worked to pressure the Board of Education into the most lucrative contract thus far in the country, which specified among other things that teachers were not to be employed in any duties other than those in the classroom having directly to do with teaching.⁷⁰ For the union it was a big victory, not so much in local terms, but in the prominence it gave the AFT nationally.⁷¹ For the city, it merely set the stage for yet another very long bitter strike in 1972, as the administration vainly sought to backtrack on the extraordinary budgetary impact, and for blacks it meant yet another reversal of black attempts to improve the role of education in the city.

The Newark Hospital affair was also a long series of skirmishes between Addonizio and the black community and, unlike the case of the schools, the mayor could not claim no direct authority. In fact, the city hospital administrative organization was directly under the control of the mayor, its director and chief administrator reporting directly

to the mayor and its financing assured out of the city budget. Addonizio chose it as one issue in his appeal to blacks in 1962, but soon used it to manipulate the state in the medical school affair. Under this kind of objective, the hospital continued to decline while its expenditures soared.

The Newark City Hospital had a singularly bad reputation by the early 1960's which seemed to worsen with the shift in its clientele to mainly nonwhite, as in the case of the schools. While urban renewal projects had planned 50 million to be spent on construction renovation, various state commissions had pronounced it unfit for use as a health care facility by 1962. In 1962, Addonizio made the hospital a major target of his campaign against Carlin; he charged that the recent accreditation by the state Joint Commission of Hospitals had been pressured through by Carlin.⁷² Part of the appeal was undoubtedly to the hospital's main clientele, the city's poor blacks for whom the facility represented the only health care facility. Three years later, however, the hospital had changed little and this time it was Addonizio who was manipulating the state for takeover as part of the Medical School package.⁷³

Addonizio did little to reorganize the city hospital's administrative apparatus, or to respond to the growing grievances from community activists, or to outright health scandals. There was no board of trustees and thus no check on the director and administrator. Single-handedly, rules and regulations governing management, policies on patients, staffing, staff structure and organization, salaries and

general institutional conditions were made by the Director. Three hospital directors appointed by Addonizio resigned in rapid succession. Conditions in the hospital under Addonizio deteriorated rapidly.⁷⁴

In 1965, just before the elections, a diarrhea epidemic broke out in the hospital, resulting in deaths of twenty-eight infants. Black leaders were furious when the hospital administration was confronted and then admitted it was unaware of the deaths (four in one day) until the epidemic was over.⁷⁵ Two years later, following continuing pressure, Albert Black, then chairman of Newark's Human Rights Commission, released a report detailing an investigation of the hospital. The report found shortages of staff, inadequate equipment, shortages of eating utensils and food, lack of staff doctors and hospital security personnel; roaches and vermin in the rooms, lack of bedside curtains and exposure of the patients.⁷⁶ The city administration, embarrassed by the report, saw to it that Black, along with sympathetic commission members, was removed shortly thereafter, with no promise of improvement to the facility.

The hospital situation, and particularly the question of capital renovation and expansion became tied by Addonizio to the medical school affair. Because the medical school site became such a large controversy, it is useful to review some of its history and its links to Addonizio's political goals and problem solving style.

In 1962 Addonizio offered the city's municipal hospital to any medical school which would take it, primarily in the interest of absolving his

direct responsibility as mayor for it. In 1965, two other medical schools became involved, as Seton Hall College's Medical School in South Orange became a state institution and an evaluation of the rehabilitation of Jersey City Medical Center disclosed that rehabilitation would cost as much as construction of a new facility. The following year, the trustees examined two site options, one an urban renewal clearance site totaling 20 acres offered by Newark and one offered by a philanthropist in suburban Madison, New Jersey, consisting of 138 acres. The trustees accepted the suburban location, based on assurance of control and access to acreage for future expansion, as well as uneasiness about locating in a ghetto.⁷⁷ Donald Malafronte, testifying before the Governor's Select Commission on Civil Disorders later, and an administrative assistant to Addonizio suggested that the medical school board had betrayed Newark, but the city administration for its part hastened to repair the damage. City hall, according to Malafronte, received an advance copy of the site selection committee report which stated that the land was short in Newark and that 150 acres were required.

We got a copy of the report and said, "We have been undone here." We all sat down with a map and looked around at the area....So we thought we would surprise them in this and we drew a 185 acre area which we considered to be the worse slum area. We felt that in the end they would come down in their demands to 20 or 30 acres....We never felt they would ask for 185. We felt that it was a ploy on their part.⁷⁸

As one observer pointed out, however, there was a glaring conflict between the city's stated goals in applications for the medical school site to HEW and its application to HUD for Model Cities, a program

which also fell within the same boundary area as the Medical School-Hospital project. While the HEW grant application for financing of the school facility made little mention of the community in which the school was to be located, or of its impact or role, the Model Cities application spoke glowingly of the community service the school would bring.⁷⁹

The primary goal in improving health services in the Model Neighborhood area is to evolve a relationship with the new Medical School whereby the School will become the major stimulus in bringing about quality service, a new quantity of services and new kinds of service previously not available.⁸⁰

However, while HUD insisted on community involvement for the Model Cities programs (and, by 1967, even for Urban Renewal), the Medical School Board thought in traditional terms of the school as a teaching and research facility, bearing no relationship to the environment. The Hospital, as a teaching facility, would have followed the same route, as the Board saw it, with community exclusion.⁸¹

While Addonizio's interests in the Medical School were dual purpose in getting rid of the Hospital, while at the same time absorbing a large part of Central Ward land, he gained substantial regional interest and support with little difficulty, despite the tremendous and heated struggle generated in the black community. Among supporters escalating pressure for a Newark site during 1966 and 1967 were the Essex County 13 member Democratic legislative delegation, the Governor's office in Trenton, a former Surgeon General of the U.S. Public Health Service, The Regional Plan Association's New Jersey Committee and numerous medical, civic, recreational, religious, business organizations and municipal-

ities.⁸² While undoubtedly some of these interests viewed the Medical School site as genuinely advantageous both for Newark and the region, it was clear that many felt as black activists Harry Wheeler, head of the Committee Against Negro and Puerto Rican Removal and Junius Williams, head of Newark Area Planning Association (NAPA), felt, it was supported primarily because it threatened to demolish black power in Newark. Some of the sentiments were visible in the testimony before the state Senate hearings in Trenton in 1966 of Louis Danzig, head of the Newark Housing and Renewal Authority for 18 years. In these hearings, Danzig testified that the land could be condemned quickly and that "buffer zones...can be readily established to take away the fear of the surrounding areas."⁸³ Not surprisingly, blacks viewed the Medical School-Hospital affair as a sinister conspiracy stretching far outside the city's boundaries.

E. Addonizio's Police System

Addonizio's strategies for isolating and controlling power in Newark through the use of city resources available in legitimate programs such as education and health were far surpassed and, in fact, locked neatly to his use of the Newark Police. In fact, some observers suggest that Newark represented some unique example of cadilloism, with more in common with a Central American peasant economy than the United States.⁸⁴ It is more likely, however, that there was a great deal of tolerance by the rest of the region, and indeed, the nation, for the Newark system because, despite its excesses, it controlled great threats to regional wealth by controlling blacks. Further, because it assisted in sustain-

ing a large lower class white population, it avoided whatever potential threat came from this end as well. Traditionally Mafia-dominated labor had been more tolerated than left dominated labor of which New Jersey had a strong tradition in pre-war times, for its stronger control over labor demands coupled with its absence of 'threatening' political ideologies.

Newark police have had a long history of corruption dating almost from the beginning of the organization's history in the last century; the 'leatherheads', as they were known, were, in fact, a group of petty entrepreneurial gangs, hired by business interests in Newark to intimidate and harass immigrants in the city, to bust strikes and generally keep the lower classes away from the propertied interests.⁸⁵ Later, during the 1920's, with Prohibition, Newark flourished as an eastern bootleg-liquor distribution center with Canadian connections, the liberal assistance of the local police and an equally flourishing ethnic entrepreneurial class. As the city has shifted its underground economy, the police system has followed closely, shifting from illegal liquor to other activities as opportunities in the main system shifted. Fraud, gambling, narcotics, prostitution have all in turn become important in the economy and to the police system. What is probably most significant about the recent decades, including the Addonizio administration, however, is that the city has become a kind of 'greenhouse' for diversified small activities, rather than either specialized in one or two kinds of activities as in New York with narcotics. Nor has the city developed a drift toward the larger scale 'syndicate' of important

gambling and illegal trade centers such as Miami or Las Vegas. As a kind of backwater hinterland, illegal entrepreneurs appear to 'get their start' in Newark, then move on to better things elsewhere.⁸⁶

The Newark police force under Addonizio undoubtedly moved into a new phase of syndicate interaction, whatever existed previously. Some observers claim that Carlin's Director was a relatively clean Irish cop, but that Addonizio's choice, Spina, by contrast, entered with the full backing of several notorious syndicate operators and a very specific goal to operate the police as fully as possible with the illegal system.

Spina's operation was characterized by several schemes and strategies: (1) secure links with the Mayor and city hall; (2) insulation and isolation where possible of the 'regular' force, particularly senior Irish officers; (3) use of the detective division, with its peculiar organization and discretion as a mainspring of the system. It was in relations in the regular police system with the blacks, which were of very little interest to Spina and the irregular system, where things got out of hand.

With Addonizio's takeover of city government in 1962, one of his first appointments was the police Director, Dominick Spina. Spina had worked in Addonizio's campaign and, according to Ron Porambo, a local journalist who produced a lengthy study on Newark's police system, had enough connections with Mafia kingpin Ray de Carlo to get himself named Police Director.⁸⁷ Addonizio's relations with de Carlo and others were

such that the Spina appointment might be made 'mutually' interesting, particularly if Spina were to show loyalty both in contractual contact arrangements and with 'political' problems. In the first area, there is considerable evidence that the final convictions of Addonizio and his associates on extortions were only the tip of the iceberg. The FBI tapes, cited by Porambo, for example, showed Mafia chieftains illustrating systematic kickbacks, even for very 'small jobs'.⁸⁸ More important, however, were the really big jobs, or the publically generated construction related contracts. As one illustration, a local electrical contractor, known as Valentine Electric, started modestly in 1958, but in a short ten years became the biggest in the area. This company was literally supported by \$5,000,000 worth of contracts exclusively through the Newark Housing Authority, contracts assured through its 'salesman' Tony Boiardo and Addonizio.⁸⁹ Most of the contractual arrangements in Boiardo's words on FBI tapes were through Spina, the police director.

In handling Addonizio's political problems, Spina's efforts centered on black control. Even before the riots, the Newark police under Addonizio had gradually become to blacks a kind of lower class gestapo, randomly and arbitrarily harassing ghetto residents and provoking arguments leading to killings from time to time. There was little discipline of the patrolman under the Spina system. Whatever semblance of traditional hierarchical organization and paramilitary structure the police force had prior to Spina, most of it broke down with the banishment of the Irish and the replacement of many top officers with Spina's friends, some of

whom, thanks to Spina's by-pass of the civil service system, were appointed without the benefit of civil service promotional examinations. Some of Spina's own thoughts on blacks were evident when he was called to testify on riots in Trenton in 1968 and he labeled the problem as "guerilla warfare" and suggested "they're going to go into the downtown business section and into the white suburbs and start shooting and burning".⁹⁰

The regular police force, as suggested, became a prime target of Spina and Addonizio. In particular, senior officers -- mainly Irish -- were threatening in part because of broader connections in the regional system, in part because some, at least, were not to be 'trusted' to go along with the system and, in part, probably because they were Irish and taking up positions and power the Italians believed they were entitled to. Immediately, Spina did face resistance from John Redden, a senior officer, widely reputed as an honest cop, and a man slated for promotion to Deputy Chief in the Department. Redden was a natural leader for the anti-Spina forces, or for those demoralized by the new system.⁹¹

Spina's strategy of use of the police centered on use of the detective squad, through a system of by-pass of promotions and discretion on recruitment. As early as 1965, a Grand Jury presentment brought in Essex County found political consideration in offers to plainclothes and gambling details. The Grand Jury also found that Spina's testimony that he makes decisions regarding transfers of personnel using his own standard and that the mayor recommended transfers and appointments that

were political, unacceptable behavior for city police administrative staff, and in violation of State Civil Service Rules.⁹² More specifically, Spina ignored the state and local rules. As Porambo recounted, although no examination was required when the detective title was instituted in 1955, Spina's predecessor established evaluation criteria when he took over in 1958 and a written exam followed. In addition, a rating system and recommendations of deputy chiefs was required for promotion. The assignment from patrolman to detective carried an exam, regularly scheduled by the state department of civil service, and an additional \$300 annually in salary. Spina replaced the exam with personal choices, and it was hinted widely that many of the choices were contingent on the abilities of the men to get involved with the growing protection rackets in the city. While the Kerner Commission report suggested there was widespread "belief" of corruption in the police and the city, the Hughes Commission report recommended a grand jury probe of "corruption" in the Newark administration and an investigation of the Newark Police Department, a group regarded in the ghetto as "the single continuously lawless element operating in the community".⁹³ Later, in testimony before the Governor's Riot Commission, police careerist John Redden confirmed the general and widespread use of the detective division for protection and growth of a mini-syndicate within, engaged in a broad range of illegal activities in the city.⁹⁴ The additional fact that Spina openly hired known syndicate connections in police activities, such as Harry 'Tip' Rosen as director of public relations in the police department while he continued to hold a part time job with Geraldo Catena, a widely reputed syndicate leader, was

found to add to the picture of a thoroughly corrupted tangle in the police system.⁹⁵

1) Nonwhites in the Addonizio Police System

There is little doubt that nonwhites suffered particularly under the Addonizio police system. There is little question that most of the police personnel were anti-black, as was the Director, Spina. While Newark's nonwhites had always suffered to some degree from the discrimination against their participation in department hiring, and from direct effects of 'policing the ghetto', the situation seriously precipitated the civil disorders which rocked the city in 1967 and 1968.

In 1967, at the time of the riots, the police hiring system had disintegrated into chaos, and there were few records on what the division did. The Hughes Commission, investigating the riots, was forced, for example, to make its own survey on composition of the police force. Department personnel records (the city personnel department was not allowed to keep data other than simple payroll information on the police), were remarkably void of information and there were no statistics on composition of the force according to age, education, race or residence. The Commission survey found that of a total force of 1,512 there were only 145 blacks and one Puerto Rican serving a city population of at least 52% black and 10% Spanish speaking. All but nine of the nonwhites held the lowest rank, patrolmen, and only one, Edward Williams, had obtained a rank as high as captain. Williams, however, had been appointed hastily, and with much regret by Spina, following the 1967 riots and a spectacular condemnation of the police force.⁹⁶

Blacks had a long history of grievances against the Newark police. Almost immediately following Addonizio's first electoral victory, blacks agitated for an end to harassment in Newark's ghetto areas. George Richardson, who had just won an assembly seat to represent Newark, agitated heavily for a civilian police review board to take citizen complaints. Addonizio proved no more responsive to black demands than the Carlin administration, and, after pressures from the police organization, barely considered the idea.⁹⁷ In 1965, the civilian police review board was revived again and James Farmer, national director of the Congress of Racial Equality (CORE) led a march to Newark's Military Park in the central business area supporting the review board. What followed was a police riot, mass beatings, shootings and the arrest of Farmer and other black leaders.⁹⁸

With the increase in militancy of blacks during the mid 1960's, the police system response was widespread and often brutal. Even before the outbreak during the summer of 1967, a system of harassment by the police in ghettos prevailed. Recruited primarily among lower class Italians, the police echoed a growing anti-black sentiment as black agitation and political organizing expanded. On the one hand, the 'off duty' police surveillance system tended to expand control of the police in the ghetto. On the other, the tendency for the central operation to dispatch large numbers of police at peaceful demonstrations aggravated hostilities. Whether protests were local, or those of outsiders such as the NAACP, American Civil Liberties Union, or other civic and civil rights groups of national standing, the police treatment was the same.⁹⁹ Generally, support by local white self-styled vigilantes assisted in

covering openly brutal acts and assured 'civilian' white testimony would neutralize any charges. At the same time, a more general system of arrests on petty charges, beatings, confinements was pervasive in Newark's ghetto areas.¹⁰⁰

The outbreak of civil disorders in the summer of 1967 in one way was expected and appeared more of an extension of prior police rioting than a new set of events. This time, however, the system disintegrated quickly out of control, bringing the even more brutal external state police forces. According to the New Jersey Riot Commission report, the Newark police force crumbled into anarchy and white police and civilian leadership underwent total paralysis. Random killing followed, leaving 26 dead.

F. The 1970 Election and the Fall of the Ethnic Machine

The election of 1970 in Newark symbolized the end of the Italian machine in Newark and the rise of black power. Two major themes underscored the elections of 1970: one the one hand, there was the disaster of the Addonizio years, sealed neatly during the campaign, with a grand jury indictment on extortion charges. On the other hand, there was the rise of black political organization out of the ruins of the rebellions, organized protests and struggles over the poverty program. In 1970, a black and Puerto Rican coalition had nominated a viable candidate who looked like he might win. The opposition looked bad, but not hopeless in racially divided Newark. The election was a true test of black organization's ability against high odds.

Addonizio's situation would have been hopeless in any city but Newark. In addition to the revolt over urban renewal, the schools, the police and the hospital, Newark was smouldering from the civil disorders of 1968 and a scathing report from the Governor's Select Commission openly accused Addonizio's regime of graft, corruption and his police of initiation of a full scale riot. There was no conspiracy found on the part of blacks, and, in fact, the Commission Report suggested that most black grievances were quite legitimate. By 1970, the report's recommendation had taken effect. Three separate grand juries which had been sitting for more than a year, just prior to the 1970 elections, returned indictments on Addonizio and six close associates, including several councilmen. Trials were set to run during the campaign. While Addonizio's record was probably one of the worst in contemporary U.S. city history, in parochial Italian Newark, there were other considerations which weighed very much in his favor for reelection.

Addonizio played heavily on the local political culture, the intense hatred of blacks and threat of loss of rewards and prestige a black upset would make. His campaign was run on a mixture of strong arm strategies utilizing the apparatus of government at its legal maximum while playing on fears of whites fearful of displacement. To the general white community, he evoked fears of 'black extremism' and associated his strong opponent, Kenneth Gibson, with a 'racist' convention led by Leroi Jones, a black poet who had returned to Newark during the 1960's to become heavily involved in Newark black politics. His other opponent, Anthony Imperiale, a self-styled white vigilante and

head of the North Ward Citizens Committee, was also pictured as an 'extremist' in his baiting of blacks and occasional involvement in harassment and beatings. The campaign, however, for Addonizio focused on two key issues of (1) race and (2) the trials.

By 1970, race had been transformed from an ethnic 'law and order' issue into the real threat of loss of the spoils of the machine system. With a direct employee payroll of over 5,000 mainly white, lower classed workers and other city employment totaling around 9,000 (with the Newark Housing Authority and the Newark Education System), the threat of displacement of white jobs by black government was great. With nearly every white family in Newark with a friend or relative in city employment directly or through city generated construction contracts, Addonizio made the employment issue work to his advantage. He actively campaigned in Italian areas hinting at his intention to preserve white jobs if elected, and cajoled endorsements from public employees and big trade unions which dominated city contracting.¹⁰¹ In city hall, top administrative employees were openly threatened to 'get in line or get out' and he fired his fire director for refusing to endorse him.¹⁰² Finally, he pushed a carrot through the city council for existing city workers in the form of generous pay hikes and promotions for top uniformed personnel and across the board 'bonuses' of \$2,000 for the city's remaining 3,000 non-uniformed employees.¹⁰³ While these actions left the city with an effective 'deficit' in the 1970 budget, it succeeded in mobilizing an army of workers.

Addonizio had little defence against the exposure of the national and

local press over the Trenton trials which he attended by day while he campaigned by night. This seemed to affect him little, and he managed to recruit an army of aides. Very possibly Newark was so accustomed to corruption that Addonizio did have no reason to worry. For the general public, the trials were probably more important to outsiders than insiders who knew about corruption for much longer. For his part, Addonizio plunged ahead. He campaigned on a theme of "Peace and Progress", and avoided talk about the trial. Hundreds of youthful Italian Americans were mobilized and the mayor concentrated heavily on Italian wards. City Hall reporters suggested that Addonizio's campaign 'ticked like a well-wound clock', and his aides were predicting a likely victory.¹⁰⁴

In Newark's non-partisan primary, Addonizio faced, in addition to Imperiale and Gibson, John Caulfield, the city's former Fire Director, an Irishman and a moderate; George Richardson, the black assemblyman who had initially endorsed Gibson in 1966; Harry Wheeler, another black who had vacillated back and forth between Addonizio appointments in city hall and black activism, and finally, a particularly innocuous, but 'clean' Italian, Matturi, reportedly sponsored by the Newark business interests.¹⁰⁵ Gibson managed to poll the largest share of the votes, but fell short of a majority which automatically forced a runoff with the runnerup Addonizio in the final election. In the final elections, Imperiale endorsed Addonizio and Caulfield endorsed Gibson. While the Imperiale endorsement contributed substantially to Addonizio's vote, Gibson won handily with over 10,000 votes.

The defeat of Addonizio signaled far more than a victory of blacks over whites in Newark. It ended, symbolically at least, the ethnic regime as an instrument of power and, given the Newark experience, it is unlikely to be repeated. Blacks danced in the streets on the evening following the victory and for days afterward; they had been the center of attention for the nation, and for a few the 'great white hope' for salvaging democracy. The ethnic regime created by Addonizio, however, neither developed in isolation, nor was it or the themes underlying it resolved by the Gibson victory. Addonizio's system was linked very securely with the interests of the region and perhaps the nation, in resolving both the poor white problem and the poor black problem. The costs, however, in the Addonizio system were very high. Addonizio had to create Dahl's classic 'hegemonic' social system, which by 1967, blacks were unable to accept.¹⁰⁶ The real threat, as Porambo and other black observers suggest, was that more might be exposed. The Addonizio system was entangled with regional and even national interests. If the legs could be chopped, the body could be salvaged.

There are other thoughts on the fall of Addonizio and blacks in city hall. George Sternleib, a student of Newark housing and racial transition in the area, suggests that black victory paves the way for regional insulation of blacks in a 'sandbox', where regional wealth can turn off the water, or indulge in experiments of black self-development at will, and where blacks will always remain vulnerable.¹⁰⁷ Frances Pivin and Richard Cloward suggest a similar thesis in visualizing the empty coffers faced by Gibson in Newark, Hatcher in Gary or Coleman in Detroit.¹⁰⁸ There is little risk indeed to having a black mayor in an impoverished city.

Chapter 3: Rise of the Black Movement in Newark

Black political organization in Newark was conditioned by the opportunities available to Newark's ghetto, by resources which entered during the mid-1960's under the Great Society Programs (and the subsequent decision to curtail them in order to curtail meaningful black control), by external advocates of black control, and by the unfolding of a set of events in the political environment which made the white power system in Newark extremely vulnerable and costly to the region. Along with growth of black organizing, black expectations changed radically. What Newark citizens -- both black and white -- expect of government today was largely shaped by the process of black organizing and protests during the 1960's. This has posed constraints and provided some opportunities for black government which has controlled the city since 1970.

There are several views about the causes of black political development in the United States as well as more general views of how citizens make known their desires in government, especially to candidates for public office. Although political development is a term usually applied to developing economies, some views of black organization link causes to similar conceptions of economic and social development, as well as evolution from traditional social organization to conceptions of secular government. One view of black political development in the United States hypothesizes that blacks will organize politically when perceived economic gains are threatened, there are openings in the system which create some opportunities for mobility and there is threat of coercion. This view is what might be termed an hypothesis of 'conflict' mobiliza-

tion. Underlying it is the notion that blacks are 'conscious' of their victimized status, as a social group, and do not accept its institutionalization, and tend to shift blame for it outside of their scope of control. Another somewhat contrasting view suggests that blacks may be subjected from time to time to consciousness raising, but that basically the system has prohibited political development. Lower class sub-culture, created out of discrimination, has reinforced itself over time into a kind of pathological sub-system which permits some self protection, but basically exists within a larger system of control.

Supporting the first view is black sociologist St. Clair Drake in arguing against both the 'conflict, accommodation and assimilation' model of U.S. ethnic mobility, and that of Marxists who persist in viewing blacks as a 'sub-culture which reinforces false consciousness'. Drake suggests instead that the events of the 1960's -- particularly the Civil Rights Movement, as well as the losses incurred by cooptation by white machines in northern cities such as Chicago -- illustrate that blacks are conscious of their low status in the U.S. economic system. At the same time, however, blacks are cynical about potential change. The development of the black 'folkways' culture thus is not so much 'pathological' as it is representative of the existence of a value largely distinct from 'middle class' norm of white America. Rather, poor whites, or working class whites are more likely to be guilty of a pathology growing out of distance between the middle class norm and achievement toward these goals.

A sober analysis of the civil rights movement would suggest, however, that the striking fact about all

levels of the Negro community is the absence of 'false consciousness,' and the presence of a keen awareness of the extent of their victimization, as well as knowledge of the forces which maintain it. Not lack of knowledge but a sense of powerlessness is the key to the Negro reaction to the caste-class system.

There is an increasing tendency among Negroes to discuss what the quality of life would be within Negro communities as they grow larger and larger. At one extreme this interest slides over into Black Nationalist reactions such as the statement by a Chicago Negro leader who said, "Let all of the white people flee to the suburbs. We'll show them that the Black Man can run the second largest city in America better than the white man. Let them go. If any of them want to come back and integrate with us, we'll accept them".¹

While St. Clair Drake sees in black social organization itself a consciousness strong enough for blacks to conceptualize the organization and operation of a political system (and few fears of the capacity to do so), some parallel views look more at the opportunity structure provided (or not) for mobilization to take place. William Gameson, for example, suggests that American political life is characterized not so much by high levels of competition serving to create distribution of power and thus superior access for minorities, as it is by a shifting opportunity structure. The shifting of opportunities is created by the tendency towards repression of the entry of new groups. Depending on how such repressive tactics are timed, resistance and development of conflict through extra-legal means may occur.

My central argument is that the American political system normally operates to prevent incipient competitors from achieving full entry into the political arena. Far from there being built-in mechanisms which keep the system responsive, such groups win entry only through a breakdown in normal operations of the system or through demonstrations on the part of challenging groups of a willingness to violate

the "rules of the game" by resorting to illegitimate means for carrying on political conflict.²

Illegitimate, of course, can have two interpretations: one suggests that the 'rules of the game' are written by those in power to keep those out of power excluded. The other suggests more of a market model, where in the course of cooptation the greater system 'allows' a certain amount of 'slack' or safety valves for the playing out of real potential pressures generated by conflict. Some 'slack' may also be generated outside organized government, as with Federal programs for the poor. The playing out of political roles in the 1960's for blacks in the Civil Rights movement, OEO and Federal program citizen participation politics, as well as civil disorders, have not generated a particularly coherent view of the conflict and mobilization thesis of black political organization. Observers, such as Skolnick, Waskow, and Cosner³ have tended to isolate the riots and riot behavior from the more general organized build up in cities where civil disorders took place; social and political analysts who prepared reports for the various commissions tended to downplay the role of black political organizing as a political movement, and generally pictured leadership as the 'coolers' of unrest. The riot commission reports, on the other hand, tended to diffuse the causes into the socio-economic environment and generalize a great deal about 'legitimate grievances' black communities had against 'racism', again a very general and pervasive phenomena which offers little explanation or remedy for the questions raised by rioters themselves. There is, therefore, almost a quantum leap from the disorganized riot behavior of the victims to the election of black

mayors in 15 or more U.S. cities between 1967 and 1974 which is unexplained.

Hadden, Masotti and Thiessen, writing on the first black mayoral victories in major U.S. cities (Richard Hatcher in Gary, Indiana, and Carl Stokes in Cleveland) attempt to uncover some threads of explanation for black political victories. They generally find a mobilization of black voters, an alienation of whites, a high level of debate during campaigns (which tends to raise information exchange and communication about candidates), all preceding narrow black victories.⁴ Another feature is failure of 'ethnic' coalitions, militant black organizing, civil disorders, decreasing support by otherwise neutral white mayors or anti-black police chiefs, and finally (particularly in the case of Gary), large suspicions about the domination of local regimes by organized crime. Moreover, they count rather heavily and pessimistically on the white exodus -- that is, the exodus of anti-black voters -- to explain victories.

Stokes and Hatcher won because black-voter power coalesced with a relatively small minority of liberal whites. It was not a victory of acceptance or even tolerance of Negroes, but a numerical failure of the powers of discrimination, a failure that resulted in large part because of the massive exodus of whites from the central city.⁵

The picture that is painted from the black community organizational end is essentially appeal based on an entirely new organization phenomena in black communities. Excluded from participation in white politics, with the absence of any mechanism such as a 'white machine' to channel votes, when whites became alienated, there was little appeal to black candidates by white leadership. In fact, to the contrary, white candi-

dates retrenched to 'protect' failing white coalitions, threatened by white voter exodus. Thus it became possible to mobilize blacks with a wide variety of distinct objectives and grievances through the voting mechanism and in the case of Stokes, a fairly 'generalized' appeal.⁶

A final view of black organizing based on a combination of opportunity structure and 'consciousness' is outlined by Thomas Pettigrew following closely on theories of Mascotti and Bowen and Davis.⁷ Starting with Davis' four processes which lead to unrest, Pettigrew suggests that both the context for the black revolt of the 1960's and subsequent political organizing for the vote have much to do with the classic Marxist 'relative deprivation' situation.

...improving conditions typically set off four processes which lead to unrest. Thus economic progress (1) frequently leads to faster improvement for the dominant group of elite than for the subordinate group, (2) typically creates expectations that rise more rapidly than actual changes, (3) generally leads to widespread status inconsistencies, and (4) often causes a broadening of comparative reference groups⁸

In examining further the case for organizing, Pettigrew suggests that a key variable in the process is the sense of "environmental control".

Advances, if perceived as paternalistically 'given' by whites, according to Pettigrew, "would presumably have had far less psychological impact than they have had in fact -- since they are typically seen as "won" by Negroes whose control over their fate is expanding".⁹

Leading one step further, Pettigrew outlines one potential explanation for the electoral organizing which he connects to the civil unrest

framework; this is the perceived legitimacy of national government by blacks and the equally perceived illegitimacy of local government.¹⁰ Suggested here is that because blacks did have a concept of environmental control, the fact that local government institutions such as police, urban renewal authorities, etc., acted to frustrate this control, while the Federal government appeared to be open and responsive, blacks concluded that opportunities did exist for extending control over local governments. By gaining power in city halls, blacks could bring local governments in line with the broader, more responsive national society and its institutions.

Traditional studies of black electoral politics (many made or based on observations prior to the rise of black organizing in cities. Civil Rights as a black movement and the development of 'black consciousness' ideologies) tended to view blacks as a thoroughly repressed political group, at worst, insulated carefully by coercion and tradition in a separate political state, or at best a weak appendage to a sophisticated white political machine. In the first case, the classic southern model simply follows on the de-legitimization of black status; blacks do not participate except on white terms. Robert Dahl, who called the system 'dual' and 'hegemonic', suggested its maintenance in the South was dependent on an understanding of the main political strata of the North, not to intervene and on repressive coercion.¹¹

James Q. Wilson in his classic study of black politics in Chicago in the 1950's generally suggests that black electoral politics are a function of white political organizational structure, and particularly of

choices and devices used by white political organization to channel and control black votes.¹² He develops a strong case for the relationship between a socially stratified black community and white interests, with leadership choices (or leadership at all) based on certain efficiencies of white politics to 'control' blacks socially or politically. Thus, with a highly stratified social structure in the black community, Chicago erected a sub-structure to the dominant, strong ethnic machine; Detroit co-opted working class leadership through CIO-AFL organization (again resulting in exclusion of direct participation of blacks in electoral politics); and in Floyd Hunter's Atlanta, informal linkages with black business elites assisted in communicating grievances or exerting social control. Varying degrees of efficiencies and costs accrue both to the white power and political interests and blacks, depending on local tradition, the existence or not of a strong black elite, the need for ethnic coalitions, etc.¹³

What is useful from the traditional views of black politics is the strains built into the secondary system, from the perspective of black political development. Assuming that the 'long swing' of economic improvements was taking place during the 1950's, that there were major strains in ethnic coalitions (or in the South, between poor and better off whites) caused by suburbanization, it becomes easier to understand the receptivity of blacks to political organizing. With a decline in 'competition' (albeit accompanied by a rise in repression), a delegitimization of local government and a growth in the notion of 'control' assisted by Civil Rights and other philosophies, electoral politics was an almost natural outcome in the 1960's and 1970's.

Organization of the Chapter

This chapter examines two primary questions. One, the structure and evolution of black political organizing in Newark during the 1960's, which brought Kenneth Gibson to power in the 1970 elections. A second question examined is that of the kinds of demands and expectations which evolved during this intense debate period, and subsequently carried over into the administration of black government in 1970. In the first case, some deeper themes of development of concepts of black control and legitimacy which are hypothesized to effect the propensity for blacks to organize politically are examined. More specific questions of the perception of national government roles in Newark, outsiders and resources which are hypothesized to also effect organizing are also examined. In the second case, while most analysts suggest that preference and demand raising is only imperfectly carried through during the electoral process, despite the fact that this is considered the key mechanism for citizen preference stating for local government, others suggest in the case of blacks there is something called 'excessive' expectations articulated through the black vote. Both these hypotheses are important in understanding both the constraints and opportunities for a black mayor once in office.

The chapter is divided into three parts, corresponding to the three phases in the evolution of black organizing in Newark. The first examines background population and economic change, and in particular the rapid increase of nonwhites between 1950 and 1970 and the political outcomes of one experiment with coalition, in a machine arrangement

with white political forces in Newark. The strained relationship between the coalition and ad hoc protests over public works clearance bringing about the demise of the 'machine' lead to the second phase of black political development.

The second part of the chapter looks more closely at the protest during the rise of the Civil Rights movement, and the entry of the Great Society programs in Newark during the mid 1960's. One hypothesis examined relates to the use of the poverty programs for political organizing and other resources for extra-legal challenges, and the evolution from extra-legal to legal challenges, culminating in the victories over highway and renewal clearance. Emergence of key personalities are also examined.

A third part of the chapter examines the electoral challenges of 1966 and 1970, and the role of key community, regional and national interests. Two evaluations are made: (1) one of the coalition movement itself as a device for organizing votes, and (2) the structure of issue raising and issue articulation. In the latter case, the question raised is to what degree has demand been raised in generalized terms, so that expectations are above the response capacity of elected officials once in office. An antithetical question posed is to what degree are issues so articulated as to make goals specific to the official. Both of these questions are important in examining the degree to which a conception of 'rising expectations' characterized black electorates versus degrees to which electorates perceive some limitations on power of electoral office.

A. The Emerging of a Black Political Movement in Newark

Relations between blacks and whites in the political sphere of Newark were largely defined by the trends in settlement during the 1950's and by the failure of coalitions providing entry to blacks into the broader political arena in Newark. A traditional 'black' machine endured only briefly, a victim both of the 'shrinking of resources' of the city available to 'feed' political rewards and to the rapidly evolving political development of blacks themselves.

Large numbers of blacks had settled in Newark during world war II, attracted by wartime employment expansion in the city and region. During the war industrial employment based on wartime contracting expanded considerably as did the production of some consumer products (notably food processing) for the rapidly expanding concentration of wartime workers.¹⁴ Government employment also grew, primarily, however, in the Federal sector. For example, some 2,000 jobs were located in Newark in a regional Office of Price Stabilization Office.¹⁵ While discrimination was generally practiced against blacks in both public and private sectors, particularly at the end of the war, Federal employment was opened substantially. Efforts by black civil servants both in Washington and outside paid off in passage of numerous anti-discrimination laws, as well as the setting up of national panels accompanied by substantial publicity.¹⁶

1) Black Population Expansion in Newark

Black population expansion followed closely behind wartime economic

expansion. Between 1911 and 1917, Newark's black population increased from 11,000 to around 30,000 reflecting a combination of world war I expansion and contraction in European immigrants. Newark's black population continued to increase somewhat more slowly during the 1920's, and tapered off during the depression years, increasing only slightly between 1930 and 1940. World war I conditions were then repeated during the mobilization in the early 1940's and were once again highly correlated to wartime industry expansion. Between the Census periods of 1940 and 1950, nonwhites in the city increased 60% from 45,760 and slightly more than 10% of the city's population to 75,965 or around 17% of the city's population. There was little question that this period was characterized, as had been the world war I period, by increases owing primarily to immigration. In 1957, studies indicated that only about 9,000 of the total 30,000 nonwhite increase between 1940 and 1950 could be attributed to natural increase, or excess of births over deaths; the remainder was immigration, primarily from southern states.¹⁷

During the past two decades, however, the pattern of nonwhite expansion shifted considerably from one characterized by high immigration of nonwhites to fairly stable increase in nonwhites from natural increase alone; the drastic changes in the composition of the total population and the increase in nonwhites from 17.23% to 56.0% of the population between 1950 and 1970 are explained primarily by white outmigration. While nonwhites increased between 1950 and 1970 from 74,965 to 214,035, an estimated 60,000 whites left Newark.¹⁸

2) Black Employment in Newark

While a key underlying cause for both civil disorders in the late 1960's and the election of a black mayor cited by a large number of Newarkers and the leadership was employment and employment opportunities for nonwhites, evidence indicates that a pattern of expansion and contraction has characterized nonwhite employment since the second world war. During the second world war up until the cessation of hostilities, unemployment among nonwhites was low owing to the general labor shortage while employment had expanded in blue collar work. While there were 56,600 manufacturing production jobs in the city by 1939, by 1947 there were 73,700, but by 1955 manufacturing had dwindled to around 69,600. Moreover, one study suggests that the war only interrupted a pre-war job composition shift from manufacturing to service activities which had already started during the 1920's.¹⁹ By the post-war period, Newark already had a smaller proportion of manufacturing to total jobs than that of the region, or 44% compared to 55% in 1955.²⁰

Nonwhite employment rates, as well as reverse commutation patterns, soared with contraction of manufacturing jobs and their replacement with white collar jobs. The nonwhite job gap was estimated to equal around 15,000 in 1970, compared to 5,000 in 1960 according to a recent report.²¹ In 1970, census data indicated that nonwhite unemployment totaled 7.7%, while 26.59% of nonwhite families received some form of public assistance.

The established pre-war 'commutation' patterns also deepened with the shift from mainly white to mainly nonwhite resident workforce. In 1944,

a study of potential post-war unemployment estimated that 56% of local employment of all categories resided outside the city, while a large number of Newark residents, including an estimated 8,000 - 12,000 commuters employed mainly in manufacturing in New York City, worked outside the city in Hudson County, Bloomfield, the Oranges, Irvington and other municipalities of the region.²² This phenomena was again noted by Wilfred Owen in his study on transportation in the region in the mid 1950's²³ and by the Rapkin study in 1957.²⁴ Rapkin also suggested that suburban commuters into the city generally earned more than residents undertaking the more costly reverse commutation.²⁵ The impact on nonwhites was particularly serious. A high proportion of the 'replacement' employment for Newark residents for that which had contracted during post-war years was very low wage domestic services work, undertaken by nonwhite women outside the city.²⁶

There were few attempts by the public sector to address the problem of employment contraction in general in post-war Newark, or particular problems of nonwhites in the employment market, particularly on the issue of employment discrimination. In 1944, the City of Newark commissioned a major study to analyze the potential problem of unemployment the cessation of hostilities would bring.²⁷ The study made the assumption there would be no employment contraction, despite all evidence to the contrary, and suggested that a modest public works program would suffice to employ around 2,000 workers.²⁸ The business interests who served as an advisory staff to the study consultant advised the consultant that the private sector 'would be in a position to manage the

problem', and further, that a large scale public works program 'might disrupt the local labor market situation'.²⁹

There were also few moves to enforce anti-discrimination laws passed during the post-war period in the state and on the Federal level, or to hire nonwhites in public services, particularly on the local level. Since 1947, New Jersey had one of the strongest anti-discrimination laws in the U.S.; enforcement, however, was left to a very weak State Division of Civil Rights. Only after the Federal Civil Rights act of 1964, however, was the Civil Rights Division empowered to initiate cases.³⁰ Local officials were not only reluctant to set up apparatus for monitoring private discrimination, but did little as recently as the late 1960's to monitor public employment discrimination.³¹

B. The First Steps: Black-White Coalitions

Two types of coalitions emerged in Newark during the late 1950's and early 1960's. One was ad hoc organizing attempts, primarily in racially transitional neighborhoods, which attempted to build resistance to a 'tipping' factor in the proportion of nonwhites. Another was an attempt to build a black political organization in traditional machine style by Newark's first black councilman, Irvine Turner, with white support. Both failed primarily because of the underestimation of the rapidity of changing ideas on one hand and the commitment on the part of whites to cooperative experiments involving blacks on the other.

Clinton Hill, an area locked between the entirely black Central Ward and more suburbanized white South Ward of Newark, was a formerly Jewish

area which during the 1950's became an area of rapidly accelerating exodus of Jewish families, real estate speculation and a drift toward consideration for clearance by the City's renewal authority. In the early 1960's, a bi-racial Clinton Hill Neighborhood Council was formed, primarily to halt urban slum clearance and fight several highway projects. There was no political representation of the community in the City Council, and many of the grievances were felt by nonwhites to be 'overreactions' to the entry of nonwhites into the area.³² A great deal of the organization's early activities were directed toward stemming the tide of racial change in the area. In 1961, the Neighborhood Council did, however, support a lawsuit initiated by seven local residents to halt urban renewal. For the following three years, while a struggle went on in the courts against the renewal plan, the area continued to decline. In 1964, the area was therefore a prime target for entry of outside organizers, active in Civil Rights and urban affairs. In 1964, Students for A Democratic Society (SDS), led by Tom Hayden, began organizing in Newark, at the invitation of Professor Stanley Winters of Newark College of Engineering, who saw a need for the group to assist the Clinton Hill Council.³³ SDS concentrated on housing and other organizing for city services improvements. Following a split with the group at the end of the summer of 1964, SDS left local people as full time organizers in a new organization, Newark Community Union Project (NCUP). NCUP remained strong in the area, but established liaisons with other groups and shifted its focus to picketing and demonstrations, litigation against landlords, rent striking organizing and agitating for more responsive police. By 1965,

the initial white influence in the activities of the group had declined and attention was turned to action in the OEO poverty arena and the emerging black movement in Newark.³⁴

The rise and fall of Irvine Turner's Central Ward organization was a somewhat different situation. Turner came in somewhat earlier and prior to the rise of the nonwhite movement in Newark. An ex-copyboy for a local white newspaper and occasional journalist for black weeklies, Turner succeeded in running and getting elected Newark's first black councilman in 1953. He reportedly had ambitions to become Newark's first black mayor and immediately set about attaching himself strongly to the Italian power structure emerging with the Charter change in 1954. When efforts to gain patronage through Carlin's two terms failed, Turner turned to Addonizio and agreed to 'deliver the black' vote of the Central Ward, if Addonizio would assure him patronage denied by Carlin. By most accounts, both Turner and his organization were ineffectual at developing a genuine appendage to the white-Italian machine in Newark. Turner, himself, as a personality, tended to be crude and transparent in strategies for containing the black vote, reportedly occasionally using coercive methods.³⁵ Further, while he had a high recognition factor in 1968 among blacks according to the New Jersey Riot Commission report,³⁶ he had been all but excluded from the emerging 'new politics' based on OEO resources and programs and the northern civil rights movements. In fact, shortly following the election of Addonizio in 1962, he appears to have been rendered largely ineffectual. While part of this may be explained by failing

health (some observers suggest he had become senile), part seems to have been explained by his increasing involvement with Addonizio's extra-legal activities which expanded rapidly during the early 1960's.³⁷ By the mid 1960's, Turner was no longer much of a force in the mainstream of black politics in Newark.

However black-white coalitions may have operated in other situations, clearly the typical models (the ad hoc coalition or the machine) did not work in Newark. In addition to the mutual distrust of motives outlined by observers such as Hamilton and Carmichael, other reasons may be offered, including: value distances between blacks and whites, and 'threats' of losses to whites of collaborations with nonwhites, external pressures which sought to undercut such coalitions, the general weak resource position of blacks in setting base 'rules' for coalition formation.³⁸

In the case of the Clinton Hill Neighborhood Council (and to some extent, its heir, NCUP), the problem lay with the initial objectives of the organization, to dampen the effects of 'block busting', or general 'flight' in the area, by convincing whites to stay. This inevitably suggested forming a tight boundary to prevent extensions of the black community into the area. The fact that there was a mixture of landlords (i.e. those with investment property) and homeowners suggested equally mixed motives. A second objective, to halt the renewal and highway plans, also had problems. The 'ad hoc' protest movement is seldom able to sustain itself without very strong commitments of at least a few residents willing to devote considerable amounts of personal

resources in a continuous organizing process. Also, victories count in giving some momentum to the organizing process. With no victories, and the state and city adopting noncompromising attitudes (or in the case of the highway, feeling the waiting process helps in overcoming any objections), there was little to build on.

In the case of the Turner machine, it was clear that the rewards were far too small to establish a genuine claim on the community vote and loyalty. As one observer suggested, "the organization begins to feed upon itself," and very soon is exhausted.³⁹ Another problem which the Turner machine had which contrasts it with other black machine appendage situations was the nature of the Addonizio machine. No black slice was carved out for Turner which included an expanding black community and vote. Rather, Turner was limited pretty much to the Central Ward and very poor Newarkers, while the rapidly expanding areas of the South Ward were not addressed.⁴⁰ A New black leadership simply emerged in the vacuum. As a traditional 'boss', Turner had little appeal to the new Newarker with rapidly rising expectations and little patience. With limited authority over black Newark, Turner, for his part, had little to offer the Addonizio machine. Addonizio finally shifted his strategy toward cultivating his own in-house black leader, Calvin West, whose loyalties were certain, age and image more fitting with the middle class black Newarker and who at least initially promised to be able to control the poverty program.⁴¹

C. The Rise of Poverty Politics: The United Community Corporation

The evolution of political organizing and actions in Newark and the development of black politics cannot be grasped without understanding the evolution of Office of Educational Opportunity (OEO) programs which occurred almost simultaneously with the migration of the Civil Rights movement to northern cities. The two movements provide the underlying ideological themes which welded blacks together, developed leadership and gave a concrete and programmatic direction for political actions.

Poverty program politics in Newark had its birth with the initiation of the United Community Corporation (UCC), Newark's community action agency, which was set up in 1964. Newark's mayor, Hugh Addonizio, who had been in office for two years, initiated the action by calling together a group of public officials and civic leaders to form the UCC and obtain a state charter. This was even before the congressional action was completed. The mayor's staff had examined the bill and decided that two components should be separated: the Mayor's office itself should operate the manpower-related programs such as Neighborhood Youth Corps and the Adult Work-Experience Programs, while a new non-profit organization would be created to conduct the community action program. With the setting up of the UCC, the city, the Board of Education and the United Community Fund each put up \$15,000 to get the program underway. Cyril Tyson, who had served as director of New York City's experimental HARYOU, Harlem's youth development program, was hired as a consultant to the Newark program. An application for OEO funds was prepared and when an OEO development grant of \$184,000 was

received in 1965 Tyson was hired as the program's first Executive Director.⁴²

From the start, the program was somewhat handicapped by the detachment of the manpower training programs, by the absence of community participation in the application and by the Mayor's domination of the development process where objectives were primarily 'creation of a sub-system' of black and white patronage activities, well removed from city hall.

Tyson's approach was to profit considerably by the HARYOU experience⁴³ and structure the organization in the beginning in ways that 'locked in' very widespread community participation. The structure comprised five components: corporation membership, area boards, task forces, a board of trustees and new service agencies. The membership corporation was open to anyone over 15 years of age, living or working in Newark; all members automatically belonged to the area board for sections of the city where they lived or worked. The city was divided into nine areas, which included poor and less poor sections such as Clinton Hill. Three were organized initially and eventually eight came into being; staff was hired by the central UCC, upon recommendation of the area board.

In order to review program or service proposals, the UCC created a series of task forces, on employment, education, housing, community action and special projects. During the first year, membership was drawn from area boards, public and private agencies and the public at large and comprised 30 to 100 members.

Policy control for the organization was vested in the Board of Trustees, a body elected from the large membership corporation. This seems to have given the UCC its uniquely democratic structure, as well as made it praised widely, including by OEO, as the most representative of Community Action Agencies in the country.⁴⁴ At first, the board of trustees comprised 53 persons, 5 city officials and 48 persons chosen by the corporation members. This was gradually increased to 114 in 1967, then cut back following the Green Amendment to the Economic Opportunity Act in 1968 to 45, comprising 15 public officials, 16 representatives of the poor chosen by the eight area boards and 14 representatives of private interests. Throughout the changes, however, the board of trustees did maintain a black majority.

Two basic strategies emerged fairly early in UCC organization politics. One was the setting up of entirely new agencies which would be controlled by blacks and advocates of the poor. This was designed to prevent established agencies -- public and private -- from capturing control over the program. When UCC got its first OEO action grant in 1965, two new agencies, the Pre-School Council and the Legal Service Project, began operations and a pre-existing black controlled Blazer Community Employment Training Program was also funded.⁴⁵ An additional grant was given to the city sponsored Senior Citizens Commission, conditioned, however, on the setting up of a policy advisory committee with representation by the area boards. The 1965 grant also permitted the setting up of three more area boards, bringing the total up to six and the exploration of additional programs.

A second strategy was an early focus on educational programs and organization of the area boards. While this was intended to get the organization started quickly and attract funds by the initial director, Cyril Tyson, it did steer UCC away from the area of job training and job development and into increased conflict with some city Councilmen and established social agencies.⁴⁶

The first strategy from the community's perspective worked extremely well. As the New Jersey Riot Commission report found in its surveys of the black community, a large proportion of Newark's black citizens were impressed with the achievements of the pre-School Council and the Legal Services Project, but unfortunately little of this success rubbed off on the parent UCC.⁴⁷

The programs of the UCC's delegate agencies have, on the whole, met much less criticism than the activities carried on directly under the banner of the central office. Deputy Mayor Paul H. Reilly has stated publicly that the Newark Pre-School Council's Head Start is the 'finest pre-school in the United States.' Similarly, the Newark Legal Services Project is generally acknowledged in the community to be well run and respected. (Two-thirds of the project's board of trustees are from the community served.)

Both programs have had an impact on existing institutions. The parents of the Pre-School Council were instrumental in getting the Board of Education to hire community aides under Title I of the Elementary and Secondary Education Act and are now working for the implementation of a teacher-intern "new careers" program at the Board of Education. Newark Legal Services played a major part in developing the recent legislation on rent control that was enacted in Newark, and it has assisted in developing new guidelines for welfare clients.⁴⁸

The second strategy had very mixed results. On the community side, it appeared to raise frustrations over the absence of economically oriented

or job creating programs, which spillout effects resulted in a growing challenge outside the UCC structure to the Mayor's control over job training programs in the city, and the ethnic hiring practices on city contracts. The one effort, the Blazer Work Training Program, while supported to some extent by UCC, was also in almost constant conflict the central board.⁴⁹ On the other side, outside the community, the restriction of interests to educational and social service programs and organizing, did not relieve the City Hall view that the program was out to challenge existing agencies and the political structure (i.e. Mayor and Council) itself. Both the Mayor and the Council had strong interests in preserving the status quo in existing institutional framework and arrangements of government. The uses of the program, for example for organizing against urban renewal projects, key appointments such as the Board of Education and agitating for control over common neighborhood services such as street lighting, trash collection and the police, were viewed as a challenge to white control over jobs and patronage. Addonizio also conceived of the program as a source of 'diversion' and potential patronage for blacks; out of his control, the UCC was viewed as a threat. As early as UCC's first board meeting, Addonizio expressed himself clearly:

It is the UCC's job to act as the eyes and ears of the anti-poverty program and to suggest and coordinate programs developed from the information gathered from the poor; a 'social agency', advising the component organizations on what is needed and helping with detail...if the UCC builds itself up into a major publicity force and begins to think of itself as a political weight, then it will fail.⁵⁰

Later, the mayor was reported to have expressed himself more fully on

the patronage potential to the executive director, Dr. L. Sylvester Odom, during the first meeting of the two men.⁵¹ The Council also came into strong conflict with UCC. White council members testified repeatedly before various state and federal commissions against the UCC and claimed to have documented proof of anti-poverty workers inciting to riot; appearing before the McClellan Committee, however, they failed to provide any such proof, as well as other proofs of illegal activities on the part of the organization.⁵²

The hostility of the Council extended to actions to halt the program, notably the provision of matching city funds to the organization. From the beginning, the Council tied various strings to voting on grants to matching city funds required by the Federal agencies and during the entire operation of the program from 1964 through 1970, provided only \$28,503 in matching funds to the total of more than \$3.6 million generated out of Federal funds. As the New Jersey Riot Commission reported, this action generated a good deal of bitterness in segments of the black community; New York City, by contrast, provided approximately 30% of the funds out of local tax levies for its Community Action programs.⁵³

1) Impact of The Community Action Program on Black Political Development

The UCC served to accelerate political organizing in several ways. First, it provided a forum for debate and central organization for focus of a variety of legitimate community grievances, which was made widely accessible to most community members, including latent leadership.

Secondly, it provided resources and support for a number of constructive programmatic and managerial experiments, as well as mechanisms for 'protecting' or 'buffering' them from external thrusts. Resources were also provided for certain challenges to damaging or hostile actions, public and private. Resources also provided support for leadership development of a more general nature. Thirdly, the UCC had the indirect effect of raising expectations for increased control, at a time when Federal postures were rapidly turning against the evolving OEO system.

In the first case, in many instances the UCC provided a focal point for discussion and strategies for actions (as well as a 'cooling' mechanism for hot issues) where none existed in Newark. It was the only black majority organization in the city, and the only one with large numbers of blacks represented.⁵⁴ While there were wide disagreements among various factions in the community, as well as constant in-fighting, there were really no other forums where such diverse views could be expressed. The tight control exercised by the Italian regime, as well as the absence of resources of Civil Rights group options such as CORE, or the NAACP, served to encourage this basic strength. There are a host of examples of the forum and backup support function of the UCC. Among those which were important were the frustrations against urban renewal clearance, the city hospital situation and the struggle for black influence on the Board of Education. In each case, the UCC provided directly or indirectly a mechanism for debate and strategy formulation and occasional constructive implementation of alternative programs.

The uses of the UCC for initiating its own constructive programs in spin-off agencies such as the Pre-School Council and Newark Legal Services project have already been cited. It should be equally noted, however, that many of the challenges to 'legitimate' institutions were equally constructive, and certainly important in contributing to leadership experience. The campaigns led by controversial Area Board 3 in the Clinton Hill area against slumlords and city services culminated later in the organization of a new and still viable agency, the Bessie Smith Community Center, initially supported by UCC, and a white suburban group, Friends of Clinton Hill, and eventually with the changeover in 1970 by city funds.⁵⁵

The third issue, the indirect impact of the UCC in promoting rising expectations, leading to demands for increased control is probably the key to the creation of a viable mood and setting for organizing for electoral office in Newark. The organization, almost from the beginning, trailed somehow behind community expectations. This was clear in the somewhat restricted role first laid out for the organization, which its delegate agencies also almost immediately surpassed. The question of employment and control over the city public school system became a main thrust, for example, of the Pre-School Council when the real resources of the system became apparent to activist parents. More importantly, however, with each thrust -- on the Federal level, and from City Hall -- UCC retreated, once again provoking community antagonism and conflict over the higher goals set previously. Two key events are important to underline in the 'stop and go' trends of the external pressures.

Almost from the start, the U.S. Congress became hostile to the OEO program, particularly its organizing and legal services arms, which appeared destined to generate conflicts between the poor and established centers of power. True to expectations, city politicians and bureaucrats saw OEO resources being utilized to challenge them. A congressional battle ensued and culminated in the famous Green Amendment, which literally threatened to dismantle the program.⁵⁶ The Green Amendment gave the mayor of a city the option of placing the existing community action program under his "complete control or of designating another corporation of his choosing to serve that purpose in the city."⁵⁷ The New Jersey Commission on Civil Disorders predicted the outcome of change accurately:

Given the present atmosphere of hostility and distrust between the Mayor and important elements of leadership and opinion in the Negro community, a fundamental change in the status of the Negro community's "last best hope" might create new problems.⁵⁸

City Hall itself had first tried to threaten the UCC, then at a later time attempted an unsuccessful takeover, using a black mayor's aide, Laurie Stalks. When the UCC applied for matching funds for a second OEO grant in 1965, the city Council waged a widely publicized 'investigation' which culminated in a report condemning UCC activities. A final opportunity was offered after the resignation of Cyril Tyson in 1966. Following an interim period of changeover, in September 1967, Sylvester Odum, from OEO headquarters, took over in a mood of 'reform'. Under Odum, the UCC radically changed directions, opened links of communication with city hall and shifted emphasis of area board activi-

ties from social actions to recreation, sewing classes, tutorial programs, welfare rights, certification of surplus food and multiphasic health examinations.⁵⁹ The most striking change, however, was in the budget. While for a nine month period ending in January 1968, the allocation of resources for the UCC were divided between 50% for Community Action, 20% manpower; 10% administration and 20% for five programs, by 1969 slightly less than 20% of the UCC budget was reportedly assigned to area boards for community action.⁶⁰ By this time, however, not only was the UCC itself drained of its initial resources and thrust, but City Hall had turned elsewhere with the new strategy of Model Cities.⁶¹ While the Addonizio administration had once again evolved an early strategy for control over the black community through Model Cities, by gerrymandering boundaries of the area to include an at least 50% geographic concentration of whites, alert blacks were organizing to take control over Model Cities where the U.S. Congress had vested control, in City Hall.

2) Civil Rights Movement Themes

If OEO politics in Newark provided resources and opportunities for constructive actions and organizing, the entry of the Civil Rights Movement's northern thrust brought a very new set of political ideologies and organizing tactics, which focused on confrontation of institutionalized power in both the private and public sector. The two intermingled liberally during the mid-1960's, particularly through emerging leadership. Finally, the Civil Rights Movement brought in new ideas from the 'outside', serving to expand the traditionally parochial Newark political

system.

Among groups which were important were the Congress of Racial Equality (CORE), which became active in Newark early in 1963, as part of a strategy which focused on protests against discrimination; CORE initially became active in the Barringer High School demonstrations, which protested discrimination in construction hiring and lasted five days in July 1963. This resulted in a series of arrests, culminating in an agreement to organize an apprentice program for the building trades.⁶²

CORE was active in a number of other issues, through its director, Robert Curvin and other Civil Rights recruits to the group, including the Medical School controversy, and the Parker-Callighan dispute. This later action, concerned an issue which arose in the context of disputes over black influence in the schools. It deserves some special mention because of the influence it was said to contribute to rise in frustrations which culminated in the civil disorders of 1967.⁶³ Moreover, it placed the civil rights activists squarely in a confrontation with a recalcitrant Mayor, anxious to maintain patronage promises at the extreme expense of alienation of most regional support.

Early in 1967, it became known that the secretary of the Board of Education planned to resign (to take, however, a \$25,000 a year "consulting" jobs with the Board of Education) and be replaced by Councilman James T. Callaghan, an Addonizio supporter with 'county' connections. In May, the National Association for the Advancement of Colored People (NAACP) proposed that the City Budget Director Wilber Parker, a

black with a master's degree in public administration and the first black CPA licensed in New Jersey, be named to the post. Callahan was a former labor official who never attended college, and, in addition to his council post, held a \$10,500 a year job as secretary to the Essex County Purchasing Agent.⁶⁴ Even the normally quiet Newark Evening News was forced to comment editorially that the differential qualifications of the two men were extreme.⁶⁵ A tremendous outpouring of interest followed when the appointment was taken up in June and it was only through persuading the old secretary to stay that the matter was resolved. The incident, however, left a lasting mark on the organization and unity of the community, as one observed remarked:

"The only issue on which I've seen Negroes get truly excited and concerned was Parker-Callighan. For the first time, you really had a community."⁶⁶

Key strategies which the Civil Rights Movement brought to Newark were the organizing around issues which cut across class and interest lines, which focused on the key issue of a defined 'public authority' control or action and which, where possible, defined questions in terms of economic interests, such as employment. The concept of voting rights was crucial, not only in organizing voter registration, but in defining rights of control over public actions by citizen voters.

D. The Electoral Campaigns of 1966 and 1970 and Kenneth Gibson

The worst fears of Newark's City Council and mayor over poverty program politics were realized by the entry of Kenneth Gibson in the primary of 1966. Gibson at the time was vice-president of the Board of Trustees of

the United Community Corporation, and a city engineer, who decided at the last minute to enter the race, reportedly as a 'test' of black voting strength. By 1966, however, blacks were already organizing to run for electoral office. That year there was still very little representation in political office in the city. The two black councilmen, Turner and West, were considered of negligible effectiveness in black community terms, and while a few blacks had successfully gained state offices, City Hall, where real potential for black gains lay, was completely closed off by a now hostile mayor and council.

The 1966 election was characterized in the black community as one lacking in interest. While blacks were increasingly confronted with a changing Italian regime, the only real opposition to Addonizio was the anti-black ex-mayor Carlin. Addonizio had turned increasingly against black organizing and demonstrations, while at the same time showing increasing disinterest in the emerging and active QEO groups. By 1966, his basic response was at best paternalistic. He responded to black demands by powerless task forces, investigatory commissions and other devices which appeared aimed more at dissipating unrest than solving problems. The handful of symbolic jobs in city hall remained that, symbolic for most blacks. The announcement in 1966 of a Black and Puerto Rican convention to select two candidates for two councilman-at-large seats, while late, promised at least a beginning.

The 1966 Convention organizing got started late, was poorly publicized and was conceded by its organizers to have had 'too narrow' a base. Imamu Baraka, one of the organizers, was a black poet born in Newark,

who had returned after a successful career in New York in black nationalist theatre in Harlem. He became quickly involved in black politics and organized the United Brothers, a new political group based on nationalist ideologies which were rapidly expanding in Newark and African cultural militancy. Determined to make Newark the successful cultural and political experiment which failed in Harlem, Baraka imported such emerging nationalist leaders as Maulana Ron Karenga of "US", a Los Angeles-based black nationalist group, and displayed sympathy and support for the growing black Muslim groups in Newark. Two themes emerged gradually: one was black unity, based on shared African values and one was black self-sufficiency and control. It is probable that the 1966 convention was 'looking forward' to 1970 more than anything else.

The 1966 convention nominated several blacks and Puerto Ricans for city and state offices, but declined to nominate a candidate for mayor. At the time, blacks were divided on the issue and the Convention itself was too narrowly based and late to play the unifying role in a city wide election its organizers hoped to achieve.

Kenneth Gibson's entry into the 1966 mayoralty and success were all the more astonishing. Gibson, a city engineer, active in United Community Corporation affairs, was well known as a 'moderate'; he had served on several committees for UCC and the city, and was respected as a good liaison between such sensitive groups as the business community and blacks in Newark. As a Newark College of Engineering graduate, he retained ties with this institution which became important in supporting Civil Rights in Newark. While from a thoroughly working class

background, he typified black Newark's aspirations in some senses and he also had a somewhat broader appeal, especially to youth.⁶⁷

Gibson entered the 1966 election at the urging of George Richardson, a black reform candidate, ex-state Assemblyman and Addonizio critic who himself was running against Irvine Turner in the Central Ward. Richardson, however, reportedly was interested in a 'test' of a black candidate and intended to run himself in 1970. Gibson agreed and entered the race only six weeks before the primary. He had a total budget of \$2,000 and almost no organization. He nonetheless polled a surprising 16,246 votes to come in third, forcing a runoff between Addonizio and Carlin.⁶⁸

Addonizio regained the mayoralty in the fall elections, but some of the momentum created by 1966 by the new black effort in city electoral politics carried over early the following year. No sooner had Addonizio been sworn in than a movement started for his recall, as well as that of several Councilmen. According to the report of the New Jersey Commission on Civil Disorders, the movement started over a drastic increase in the tax rate early in 1967 from \$5.97 to \$7.66 and "rubbing salt in the financial wound was the fact that City Councilmen had voted pay raises for all employees, including themselves and the Mayor. The Mayor's increase was \$10,000."⁶⁹ The recall movement cut across class and racial lines, with black taxpayers feeling the pinch as deeply, if not more so than whites.⁷⁰

The recall movement did succeed in ousting South Ward Addonizio cohort Lee

Bernstein, in a dramatic recall election of June of that year; a fifty-four year old black activist, Rev. Horace Sharper, was elected, and immediately began to condemn city officials for interference in the federal New Careers program and called for resignation of Addonizio and his spokesman and aides and aide Don Malafronte.⁷¹ Momentum continued to build both in and out of government for a unified black trust at City Hall for 1970.

1) The Electoral Campaign of 1970

By 1969, blacks were ready to mount a serious electoral campaign. Profiting from the 1966 convention and outcomes, as well as an off-year convention in 1968, the 1970 campaign was carefully planned. In November of 1969, a three day Black and Puerto Rican Convention was planned to nominate a viable slate and build a strategy around unity of the nonwhite communities and a structured campaign. More than 300 delegates chose a council ticket that included activists Earl Harris, Sharpe James, Reverend Dennis Westbrook, Al Oliver, Ramon Aneses, Donald Tucker and C. Theodore Pinckney. The latter two were United Brothers candidates who had been defeated in the at-large elections the previous year. Kenneth Gibson, then thirty-eight, with the strong showing in 1966, was unanimously chosen as the mayoral candidate. Gibson had been quietly preparing during the interim to run in 1970 and the civil disorders had accelerated his efforts.⁷²

While there were considerable divisions among the black community leadership over the Gibson candidacy, with a notable hostility growing

between Gibson and his supporters and Richardson and his allies, the real fight was shaping up outside the black community as two main white candidates squared off against Gibson. Addonizio was desperate. With official condemnations of police during civil disorders, and the rising specter of a potential conviction on extortion and bribery, Addonizio and his council concentrated on courting Italians and coercing city employees into support, even should he be convicted. While the city was nearly bankrupt, large pay increases were voted for 16 employees in the city's financial administration, and across the board raises for police, fire and other city employees. Italian youth were mobilized to saturate Italian areas with the subtle threat of 'blacks in city hall' and his black appointees were sent out in black neighborhoods to threaten 'blood in the streets', if he failed to be elected.⁷³ The other primary white candidate was Tony Imperiale, an ex-karate teacher, and self-styled protector of white rights who had gained notoriety and a council seat during civil disorders in Newark, by promoting 'arming' of white citizens groups. Imperiale managed to gain a hard core working class Italian following, which included a sprinkling of Newark detectives and patrolmen and the Police Director Spina himself, who frequently appeared more in sympathy with Imperiale's sentiments than Addonizio's. In addition to his generally anti-black stance, and the involvement of his North Ward Citizens Committee in a number of provocative incidents, Imperiale's main thrust was at Gibson, whom he quickly labeled a tool of Baraka and the black nationalists.⁷⁴

Rounding off the slate were three other serious contenders, two white

and one black. One of the whites, Alexander Matturi, a resident of the North Ward, a Republican and a state senator, was the choice of the Italian bourgeoisie and the business community.⁷⁵ As Porambo and Barbaro both point out, his chief failing was that he was better known in Italy, where he had served as an Eisenhower appointed conciliator after the war.⁷⁶ Richardson, the black ex-assemblyman, though a viable candidate, had gained a reputation in black circles as 'vacillating', particularly for what was perceived as a 'sellout' to the Jersey City Kenny machine in Trenton when he was in the Assembly.⁷¹ Finally, John Caulfield, the ex-Fire Director, was honest and reputable but as an Irishman was considered to be of the 'wrong nationality'.

By December of 1969, after a year of work by a federal strike force, grand juries indicted Addonizio and his associates Councilman Turner, West and Frank Addonizio (a brother of the mayor); former Councilman Bernstein (who had been recalled), Callaghan, Gordon (later appointed by Addonizio as the city's corporation counsel) and Guiliano (subsequently appointed a municipal judge); former corporation counsel Norman Schiff, Anthony La Morte (director of municipal utilities); Benjamin Krusch, public works director; Mario Gallo, a contractor and Anthony Boiardo, son of the famous 1920's bootlegger and syndicate leader, Ruggiero "the boot" Boiardo. They were all charged with 65 counts of actual extortion and tax evasion between 1965 and 1969.⁷⁸ When the indictments were out, and the inevitable trials started, Caulfield and Imperiale emerged as leading contenders.

Gibson's campaign was exceedingly moderate. While the militants stayed somewhat in the background,⁷⁹ Gibson refrained from inflammatory statements and played a conciliatory role. The campaign attracted a host of national black civil rights and political leaders and entertainers, as well as considerable interest from local youth, students and liberal to "left" volunteers. There was little need to raise issues; most of the issues appeared on the front pages of the newspaper, daily. One key issue, however, was voting strength of the black candidate, a particularly sore issue in black Newark, where there were suspicions both about law enforcement on election day and about public actions to 'scatter the black vote'.

In 1970, there were only 133,000 registered voters, approximately 20,000 fewer than in 1966. The greater proportion of those lost, however, were probably nonwhite. Between the two election years of 1966 and 1968, it was estimated that the South and Central Wards, where most of the black vote was concentrated, lost almost 10,000 voters while the predominately white wards lost under 6,000 during the same period. One explanation was the general transiency of blacks. Another, however, was the great deal of urban renewal and highway clearance which fell primarily on black neighborhoods. Albert Black, chairman of the Newark Human Rights Commission estimated to the Governor's Commission on Civil Disorders that if 30,000 blacks were registered in a voting drive, 10,000 would be unregistered three years later because they had moved.⁸⁰ A key question was would an experienced black candidate, with little financial backing and support, be able to even muster enough votes to stay alive past the primary?

In the spring primary, the black coalition strategy worked partly. Gibson led the field with 37,859 votes, polling nearly twice as many as his nearest rival, Addonizio, and winning in all wards except the North Ward. The white candidates divided their votes but Gibson shut out the other black candidates; Richardson polled only 2,038 votes. Because he did not gain a majority, however, Gibson was forced into an autumn runoff with Addonizio.

For the fall election, both Gibson and Addonizio sought the endorsement of the losing candidates, particularly Caulfield, the moderate. At the same time, Gibson's supporters concentrated heavily on getting the vote out. Imperiale, who had campaigned almost as strongly against Addonizio as Gibson, shifted abruptly and 'endorsed' Addonizio. Caulfield's endorsement, however, which was the real prize, went to Gibson. Caulfield campaigned vigorously for Gibson, despite considerable harassment, and his appearance undoubtedly helped symbolically.⁸¹ In the councilmen race of the primary, a very large field of sixty-three candidates ran for nine council seats; six of the seven Black and Puerto Rican Convention endorsed candidates made the runoffs and Irvine Turner was badly defeated in the Central Ward Councilmen race, ending a long political career.⁸²

In the November runoff election Kenneth Gibson won by capturing 56.1 percent of the vote to become the first black mayor of a major eastern city. While the final count showed gains in all wards over his primary showing, it was the overwhelming black vote which made the difference and compensated for losses in the other wards. It was also clear,

however, that the Italian dominated wards had voted solidly against him; in effect, Addonizio had captured most of Imperiale's large Italian vote. And, as one observer noted, Italians were still a very large factor in control over the city through the council. Only one black, Earl Harris, a former Essex county free-holder, won a citywide seat which, added to the two predominately nonwhite ward seats, left the majority in the hands of the Italians.⁸³

Blacks literally danced in the streets on election night, while Addonizio supporters turned on the media at his headquarters, smashing television cameras and abusing newsmen. But...Italians were still the major political force in the city in that they controlled three wards and the city council....Preliminary analysis indicated that white moderates made the difference. They did not want to return Addonizio to office, but they were not prepared to turn the city over completely to black leadership. The fact remained that 43,000 people had chosen Addonizio despite the scandals.⁸⁴

E. Impact of the 1970 Victory and Black Political Organization in U.S. Cities

While the Gibson victory probably signaled the culmination of a long struggle to erect a viable coalition for the end of achieving legitimate political control over a U.S. government organization, it also may have signaled the end of the Civil Rights northern strategy, peaceful protests and black-white coalitions for change. The evolution of black political development was played against a backdrop of 'tests' of almost every strategy utilized in the Southern movement -- resistance, demonstrations, solicitations, coalitions, study commissions, advocacy -- but most served at best to unify blacks in the belief that nothing outside 'legitimate' power would work. The gain of legitimate power,

however, was effectively prohibited both by the local power system and its regional support. Regional business interests, state government and the broader residents not only tolerated the coercion of nonwhites (using both legitimate and extra-legal means) but encouraged the building of a dual participation system by the Italians during eight long years.⁸⁵ Only when the outbreak of violence and sustained threats of disruption threatened to raise the regional costs of using the city did regional interests begin to attack Italian power through the courts, the press, etc. Nonetheless, blacks, including Gibson himself, were legitimately bitter that not one representative of the business community supported his candidacy and except for the Newark News the media generally ignored the serious issues for the sideshow of scandals and *Imperiale v. Baraka*.

Black political development, viewed through the Newark case, however, can be viewed as following a somewhat separate development. While the broader regional events created the opportunities for electoral victory in 1970, a different set of events took place inside the black community. Two forces provided the catalyst for development of a new kind of urban black politics, entirely distinct from the tradition of machine appendages of cities such as Chicago, or the charismatic leader type epitomized by Adam Powell in New York City. One was birth of a new ideology which transformed the Civil Rights optimism in 'shared power' into internal unity-based ideology, linked in part to black nationalist ideologies. While many observers have viewed 'black consciousness' as a radical separatist movement, in fact new black

nationalist politics incorporated more of lower classed goal standards and African socialism than separatism. While there are many apparently conflicting themes in the kinds of ideologies and rhetoric of Newark during the 1960's, within the black community itself, political organizing appealed far more to goals of reducing conflict, and burying individual differences. The concept of a 'community' for the first time became widespread, symbolizing the general shift in the black citizen's concept of politics.⁸⁶

The second key force contributing to black political development and organization was the Great Society Programs of the Johnson years. While in many cities, these programs may have operated to 'share' power with nonwhites, open some safety valves where frustrations could be dissipated and occasionally coopt leadership, in Newark's case the programs had a more direct contribution to black political organization. The local community corporation was captured early by blacks and their white advocates and its resources put to work in winning legal rights and successfully challenging some of the most established and routine patterns of public action in the region, including urban renewal, slum clearance, highway development, public works contracting and public assistance sanctioning. Early successes, made possible by the interest and entry of skilled outsiders (especially Civil Rights leadership), assisted in further organizing and consolidating gains. The availability of resources under black control also provided some incentives and support for participation on a much broader scale than had been witnessed by Newark's blacks and resulted in the emerging of new local

leadership and a diversity of new leadership roles. In OEO programs, with less direct interference, Newark's blacks managed to convert resources in terms on the whole fairly useful for political organizing purposes.

A second important effect of the OEO programs was found in their programmatic and organizational structure, particularly the spinoff units. With entirely independent organizations, buffered to some extent from the backlash mood of Federal officials, the Congress and City Hall, units such as the Newark Pre-School Council were able to provide planning and managerial-political experience to large numbers of latent leadership who would otherwise have been excluded from public or community activities and who would have had little information about the 'operating' and organization of a unit in a larger institutional context. For blacks with little access to private or public institutional organizations, particularly on a managerial level, the experience was to become important later when blacks moved into city hall.

Finally, both factors forced and shaped the emerging new black leadership into a very different mould than that which had preceded it during the early 1960's. In contrast to the earlier typical black leaders, who were 'filters' between the black areas and white power structures, leadership which emerged in the late 1960's was forced much more into a position of 'detachment' from the white power alliance, and identification on one hand, and obliged to articulate black goals in specific programmatic and action terms on the other. This particularly affected the mayoralty, as by 1970 blacks had a very clear conception of the weight of mayoral power and the distinction between it and more familiar

legislative power.

Blacks in Newark, probably more than other areas, went to the polls to vote for very specific types of change. By this year, blacks were aware of the use of the mayor's office both for concrete gains (and the value this created in the Italian areas of the city) and as an instrument to assure these gains would be maintained through the use of legitimate force. In voting for a change in the mayor's office, blacks were voting for an end to use of the coercive arm of the state to exclude them from the city benefit system and for control over at least the legitimate resources available in city hall.

Chapter 4: A Black Mayor in Office and Constraints in Allocating Resources

Barely had the euphoria of the 1970 black electoral success passed when the real world constraints of mobilizing and mastering the city hall gain became apparent in Newark, especially to its new mayor. While Gibson was deliberate and programmatically oriented, it was quickly clear that Newark's immediate heritage from the Addonizio regimes and the disasters of the three previous years left a disarray so extreme as to prohibit the luxury of work on policy. Six months of transition government served only to confirm the worst suspicions of external observers. There was little left in the way of an administrative apparatus in the election aftermath, hostility was so extreme that white workers, while clinging to their civil service status, frequently refused to show up for work, and there was a basic underdevelopment of the most rudimentary discipline in most city operations. Moreover, worst, of all, in a few short years preceding the changeover, the city had drifted towards fiscal bankruptcy, accelerated by desperate attempts by the Addonizio regime to court public workers by attractive pay increases without any increase on the revenue side. The complete hostility of Addonizio to warnings of outsiders of the need for a cautious fiscal policy and tax and spending reforms was known early in state government, but was largely ignored.¹ The disaster was thus correctly borne by a much wider responsibility than that of Newark itself. Unfortunately it was passed on with only 'sympathy' to the new black mayor. The sixty million dollar deficit which the Gibson administration inherited was not resolved until three years later; mean-

while, the state 'deducted' deficits created during Addonizio's last year from Gibson's first year state urban aid entitlement.

The transitional government also served to confirm the general shape of constraints the Gibson administration was to face during its four years in office. There were four large constraints perceived initially, two posed by the limitations on the role of the mayor and the institutions of government. Two additional constraints were posed by the demand side, one for general government reform, one for black participation and 'shares' in government. Set against this were very limited and largely untested opportunity structures: authority of the mayor to exercise legitimate control over a few areas of government, the prestige of office, and potential, but uncertain external support. A very early focus centered on the question of resources, the distribution of existing resources in the city on the one hand and the potential for increasing the base through external actions on the other.

On the constraint side, the mayoral role was limited by legal power assigned it and the usual 'shared' power arrangement with the City Council, the city's legislative body, for key decisions on expenditure, taxation and personnel. In addition, in less formal terms, until 1970, very informal power arrangements between Council and mayor had subdued though not eliminated this 'sharing'. The value overlap and tradeoffs possible through the 'ethnic' regimes were broken with Gibson's entry into city hall and the white dominated council promised to be 'informally' demanding as well as legally so. Another key constraint on mayoral power was that of the civil service. Again, as in most cities,

Newark possessed a large public staff, numbering over 10,000 workers directly employed in government operations and perhaps an additional 1,500 in contracting of services. Many in 1970 had been hired prior to development of a strong civil service system in the state, many were not required to pass statewide testing, many were hired under 'political' or community ties arrangements. As a result, many of these workers were threatened with displacement and/or loss of status in a black administration. The top staff could technically be removed and replaced by Gibson appointees, but middle management posed additional problems. Here the constraint and potential conflict was enormous. Most, if not all, particularly in service operations of government in Newark, were persons 'risen in the ranks', who were not markedly different from the lower staff in value terms. The potential for dissipation or undercutting of mayoral power was enormous, given the scope of authority on the middle level.

Institutional development in the city had also proceeded very poorly in Newark. The state instituted Charter centralized power with the mayor, but created ambiguous responsibilities in poorly defined positions such as that of the 'Business Administrator', an office which rarely exists in strong mayor systems. It is not entirely clear in legal terms what this officer's responsibility is, but it was clear during the Gibson administration's first term it was put to handy use as an attempted 'check' on mayoral power. Another limitation was the inadequacy of the rubber stamp charter in addressing the major need for government functional and administrative reorganization in an essen-

tially unreformed government such as Newark had in 1954. Rather than providing guidance in government development, the superficial reform tended to be by-passed in favor of retaining the old operations sum-of-the-parts domination cultivated under the Commission form.¹

The second group of constraints on the demand side were no less critical in shaping the overall pressures on the mayor in 1970. One was the demand for reform in the operation of government, long overdue from the Charter reform of 1954. The other demand constituted expectations of black government constituents.

There was considerable demand in Newark for basic reform of the city's institutions and for a more visible government. By 1970, there was a widespread 'taxpayers' revolt, wherein delinquent tax payments had accelerated. As mentioned previously, one outbreak of organized actions by citizens to 'recall' Addonizio and the Council had taken place in 1967 following the raising of the mayor's and council's salaries and hiking of the rates by more than \$1.00 per \$100.00. Many believed government officials were frankly 'irresponsible'. In addition, the runaway budgets, absence of efforts at efficiency, lack of comprehensible public budget statements and visible deterioration in city services increased demands. While the usual 'civic' and business elite leadership and reform pressure groups were absent in Newark, there was nonetheless widespread consciousness of a very unreformed administrative operation in Newark city government.² For Gibson, who ran as a reform candidate, there were natural expectations, especially outside Newark,

in the state and Federal system, some regional business circles and the local press that reform would be a first priority in 1970.

The second set of constraints on the demand side flowed directly from the political development process in black Newark. Black demands can be characterized as twofold. First, there were the low or fairly modest demands for 'relief' changes, which in normal circumstances would not have been constraints. These included an end to public clearance, police harassment, racial hostility in the public housing program, in the public school system and other operations of city government theoretically under mayoral control. An end to the 'dual' treatment system of Newark which destroyed black dignity and kept whites 'in charge' of black problems was strongly registered in the 1969 vote for Gibson. While modest, however, in Newark these 'legal' changes became constraints. They inferred nothing less in many cases than either overnight changes in the attitudes of white workers (at a time when they were most hostile and threatened by blacks) or alternatively the replacement of existing workers by those more sympathetic to blacks, a near impossible task in either case. Under the most ideal circumstances, halting arbitrary police actions in ghetto areas would have been difficult; with the Newark police system built up over eight years of systematic attention to the creation of lower classed Italian control, it was literally impossible to make change. Gibson's first action, the appointment of an untainted Irish professional to head the police system (and purge the Italian control system), was met with wide criticism by black leadership in Newark as symbolizing failure, rather than an indication of the

constraints on mayoral office.³

A second constraint flowing from black political development in Newark was demand for filling of specific programmatic gaps in the city's array, and for reorganization of city services and qualitative changes to address needs perceived as critical to black well-being. The combination of the Great Society programs, 'alternative' black nationalist institutions such as schools as well as self-help groups had flourished in Newark during the late 1960's. The inflow of new ideas helped to spawn a well articulated community development plan, frequently accompanied by detailed implementation schedules and cost estimates. The programmatic and planning thinking which became widespread in the heyday of OEO was immediately expanded with the entry of the very programmatic-ally oriented Model Cities program, which blacks also dominated in the latter days of the Addonizio regime. All of these 'plans', coupled with equally well-articulated strategies for change in existing institutions such as education and public housing were to serve as an ongoing theme throughout the Gibson administration, acting occasionally as a pressure-opportunity force for exercise of mayoral power, but more often creating conflicts between the old and entrenched and new administrative personalities on one hand, and on the other community special interest groups and activists.

Organization of the Chapter

This chapter examines the structure of constraints in Newark on a black mayor. The constraint setting in this case comprises several key parts, which interact and enforce each other. In particular, the legal insti-

tutional structure of state and city governments set upper limits on discretion for desired change by a temporal administration; to the extent that they are conservative and traditional in inhibiting flexibility for change, they have resulted in unanticipated political outcomes in Newark which fragment and dissipate authority, overrepresent some values and interests and generally create a government organization primarily serving civil servants and managerial staff. Another large constraint area is that of pressures outside government. In this case, two interest groups are visible. One is constituents for city services and other change. The other is regionally oriented interests pressing reform and efficiency in government. Both are important in inhibiting mayoral actions and in collapsing the time frame for change.

The chapter is divided into three parts. The first examines the general framework for decisionmaking in resource allocation, and in particular constraints posed by the legal institutional structure of the city. A second part looks at political cultural constraints on change, particularly visible in the city's legislative, administrative and operations-service system. Important constraints examined are the lag in administrative reform, tradition of 'autonomy' and fragmentation and conservative fiscal policy. A final part looks at the environmental constraints and pressures from constituents and regional forces

A. State and Local Legal and Institutional Constraints

While Newark operates under a strong executive centered system, formal

legal constraints on the state and local level severely limit policy actions in resource allocation areas. Limits have both direct and indirect sides. In the case of direct responsibilities, or those unambiguously stated such as responsibility for preparation of the city budget or tax plan, the state exerts a strong constraining role and can specify in detail the type and object of taxation, limits of levies or specify categories of exemptions. The city charter's role is also direct as in specifying mayoral control or responsibility for general fiscal policy oversight, or indirect, as in limiting choice of allowable new taxes to the joint consent of mayor and council. In both the state and local case, legal and formal rules are reinforced by strong political cultural traditions which serve to fragment control on one hand and conserve some obsolescent notions of government responsibility.

1) State and City Legal Constraints on Fiscal Policy

As in many other states, New Jersey exerts a strong direct control over its largest city in general and mayoral authority in particular. The city's resource allocation areas are a particularly important aspect of control and thus the state focuses considerable attention on the two sides of fiscal policy, expenditure and taxation. Both the expense budget and taxation, borrowing and other revenue raising are controlled through direct legislative action and through administrative monitoring on a systematic basis. Indirectly the state also affects fiscal policy in an important way by the mandating of certain expenditures which may or may not overlap with local choice, such as police and fire pensions or civil defence units.

In the expenditure area, the state's primary instrument for budgetary control is oversight and monitoring by the Office of Local Governments in the Department of Community Affairs. While recognizing in legal terms that the mayor is responsible for preparation and submission of the annual budget, the state office nonetheless 'suggests' in persuasive terms the form and content of the local budget, as well as some key aspects of the budget decision cycle.⁴ Further, the state must give preliminary approval to annual budgets before they become local law, as well as in-cycle amendments. Local observers in Newark suggest that the operation has tended to be essentially a 'rubber stamp' in practice on the allocation of expenditures and follows the state's "home rule" philosophy, but a great deal of time is spent nonetheless in converting the local budget to 'state' suggested formats and terms and checking out new expenditure items for their acceptability to state government administrators.⁵

In the revenue and tax area, state control in New Jersey is strongly enforced, largely by the legislature. While the mayor is held generally responsible for fiscal policy, taxation and debt management, the state reserves major responsibility for quite detailed aspects of types of revenue, objects and exemptions from taxation and fee collection, types of fees, fines and other charges levied by localities, as well as authority over methods, timing and accounting for collections.⁶ Taxes are frequently authorized on a 'temporary' basis and objects of taxation may be withdrawn by legislative action as has occurred over the past decade.⁷ The state also sets a policy of very high reserves

for 'uncollected taxes', a strategy which has received considerable criticism from tax experts.⁸ Finally, strict debt limits are set periodically by the legislature or the administrator of the Office of Local Government Taxation upon legislative directive. In the case of other revenue, localities also must receive permission to receive grants-in-aid from the Federal government, other states or public authority and private interests.⁹ General authority to set and update formulas or other criteria for state grants-in-aid may be delegated to the Governor, or remain with the state legislature.¹⁰

An important political cultural tradition in New Jersey has been the rather narrow view of local government responsibility, which outcome is most visible in tax policy. In the early 1960's, Robert Wood's study of local governments in the urbanized portion of the state revealed an extreme distance between the New Jersey and New York sides of the New York-New Jersey-Connecticut metropolitan area in terms of property tax dependency, per capita expenditures and state grants-in-aid.¹¹ While the situation has improved considerably since that time, still, by the 1970's, the New Jersey State legislature has strongly resisted shifting to higher growth taxes or those with a superior relationship to wealth growth than the property tax. New tax authority is granted grudgingly and questionable taxes such as payroll taxes (i.e. wage taxes) are granted more frequently to localities than the more desirable option of larger grants-in-aid based on stronger and more equitable state taxes with superior bases such as consumption or income.¹² One rationale for the state's revenue behavior pattern is the large degree

of fragmentation of jurisdictions and relatively small size of taxing units in the state. There is also a wide belief, however, that state legislatures follow some mythical tradition widely shared by citizens of the state that 'home rule' is enhanced by granting freedom for everything but revenue to support expenditure.¹³

The state's conservative tradition appears to create a number of effects in localities, visible in Newark. One is to set a 'conservative' upper limit on local actions which are extremely stable over time. Local councils and administrative actors 'anticipate' that they cannot do much and often behave in discretionary choices as if there would be few alternatives.¹⁴ The traditional policy of 'pay as you go' developed to some extent out of this influence and resulted in very low capital replacement rates in the city's infrastructure in post war years; at present, the cost of replacement is nearly prohibitive.¹⁵ Another influence particularly visible in Newark is in the steady expansion of ordinary services at the expense of newer types of services. Here, in contrast to the usual case of general frugality cited by observers in older cities,¹⁶ Newark permitted considerable expansion of expenditure and activities but simply restricted it to areas 'less controversial' in state terms. Although the state of New Jersey has never been a leader' in innovation, it is not clear that objections would have been raised over the extension of activities particularly on the administrative level. A final influence which should be mentioned is in the area of direct legislation for particular expenditures and tax treatment, which serves to reinforce local 'hopelessness' about control as

well as remove chunks of local resources available for other purposes.¹⁷ While some state actions are undertaken with redistributive, apportionment or other objectives, many clearly represent 'special interest' overrule of local choice and at best wreck havoc with fiscal planning over time.¹⁸ While the traditional pattern of single city legislation has been overturned by the courts, much of the traditional view of the state's single big city, Newark, as a resource for financing other localities and the state itself still persists in subtle terms.

The city legal and institutional system which has grown out of the state legal organizational setting and legislative tradition is reflected in a structure constrained for policy making on the local level. In principle, Newark's City Charter organizes and centralizes authority and control for fiscal policy and expenditure under the chief executive. As a strong mayor system, the charter delegates authority over specifics of taxation, debt management, budget planning, purchasing and contracting and personnel policy. Provisions for institutional sharing of authority is limited; other officers of the administrative level of government are appointed by the mayor, serve at his pleasure and are ultimately responsible to him in fiscal and related matters. At the same time, however, there is a subtle administrative division of power through Charter outlined distribution of responsibilities, through sharing of power with the Council and above all with the operations or line agency structure of Newark's government.

The city's local ordinances and the Charter and supplementary administrative codes reflect the general organizational structure of a 'strong

mayor-council form' of government, selected by popular referendum in Newark under the 1954 optional charter rules.¹⁹ Under the Charter, responsibility is fairly simply centralized; there is no special finance commission or board which shares fiscal decisionmaking with the mayor, the comptroller is appointed rather than elected as in some cities, and, finally, the main check on mayoral power is provided through a rather weak institution of the Council. In the latter case, the city council has discretionary choice over the type of budgetary and fiscal check instrument it will use, and in Newark this has traditionally taken the form of simply using the City Clerk and a special staff in the clerk's office. The clerk is an officer appointed by the council.²⁰ In the absence of specially instituted instruments, the Council generally reviews the budget as a group before reacting to the financing plan publically and in tax matters debates these publically as with any other ordinance.

While the Council's authority over fiscal matters is generally fairly limited in Newark in charter terms, practically any action can be delayed indefinitely. The council's primary authority, however, resides in the right to review and approve appointments and authorize taxes. Mayoral appointments must receive confirmation by the council and the council does have authority to overrule dismissal of an appointed official by the mayor.²¹ As the city's legislative body, the council must approve state authorized taxes and any rates where discretion is allowed. The council also has some authority over the city's annual expense budget, emergency expenditures and any capital

projects, since each of these constitute separate ordinances. In the case of the expense budget or any amendments to it, the council is limited to changes in the aggregate and cannot specify particular increases or decreases on an item basis, but its general power to change totals or withhold approval of the total is exercised often.²² In the case of capital expenditures, council authority has been jealously guarded over the years to approve on a project by project basis and, as a result, only recently has the city initiated any real capital programming plan.²³ Finally, the council can refuse approval of any local 'matching' share for external grants to the city; this has inhibited the inflow of many Federal grants-in-aid in the past in the city.²⁴

B. The Newark City Council: Political Cultural Constraints

While formal institutional roles structured in the city's charter tended to constrain policymaking and resource allocation in the city, the informal tradition of government has played a very strong role. It is impossible to understand how government operates in Newark without comprehending the local political culture which grew up, particularly in post war times and exerted a strong influence in stabilizing government operations. The Newark city councils, though weak institutionally, have played a strong informal role in stability primarily through emphasis on parochial 'small town' politics and reward sharing.

The city's political tradition reflects the long experience of commission governments, blue collar ethnic politics of post world war II and

a weak interest aggregation of voting constituents and near absence of local elite influence in politics. These features of Newark were in turn reflected in a fragmentation and autonomy in government operations, an emphasis on operations and ordinary services at the expense of growth of newer functions, interests in blue collar job expansion and finally in general support for poor tax policies in the city.

The emphasis on operations strongly reflected the council role, particularly as it evolved after 1954, as well as the ethnic administrations between 1954 and 1970. Composed primarily of representatives of the major ethnic groups in the city, the council was oriented toward distributing rewards along the lines of constituency divisions, whether public employment, contracting or public housing, etc. Lacking the coherence and stable power linkages of a genuine machine organization, however, the council traditionally depended very much on mayoral willingness to 'share'. With a generally weak and shifting voting public, two main issues dominated Council thinking. One was creation of traditional rewards -- jobs for distribution to supporters and occasional extra-legal sharing of spoils of contracting, etc., depending on a mayor's willingness to share -- and another was oriented toward a check on the mayor's power. The check effect generally took the form of challenges to almost any proposed changes or actions of the mayor which appeared potentially capable of enhancing Council bargaining on traditional rewards.²⁵ A final tradition was more common among councils in other cities, reacting to actions which became visible in the community, particularly cutbacks in public employment.

The Newark City Council has been traditionally more job-oriented than stringency or tax-oriented and its pattern of operation reflects this. For example, during Addonizio's first term, the Council's main battle was over sharing of new jobs created out of new revenue and grants-in-aid. In retaliation, the Council refused to vote on a series of other issues unrelated to the job issue, including local matching shares for federal grants.²⁶ Under Gibson later, the Council repeatedly challenged the mayor over job cuts, particularly in traditional operating areas such as Public Works and the creation of new jobs viewed as 'black jobs'.²⁷ While the Council had little sympathy towards preservation of the two city health institutions (the City Hospital and a Nursing Home), threatened with closing by the State Health Department, and repeatedly refused to consider new appropriations to bring them up to standards, the legislative body nonetheless refused to vote to close the institutions when requested to by Gibson on grounds that 'jobs would be lost'.²⁸

In viewing jobs as 'rewards', the Council served to reinforce thinking among many key actors in the city bureaucracy, particularly those on middle management levels (bureau chiefs, police officers, etc.) who had themselves risen in the ranks. For both influence sources, employment was traditionally converted into existing and well-established lines as 'increments' on existing operations; shifting of jobs to new categories, or higher salaried or more specialized jobs, professional categories and the like, were commonly viewed as means to 'convert' the existing system and make possible the entry of 'outsiders', or minori-

ties into the operations system.

Council composition generally reflected the political tradition of the city and diverged little from the key actors in the city bureaucracy. Between 1954 and 1974, with rare exceptions white members of the council have been drawn from labor unions, the police department or county or state employment, usually 'political' (i.e. no civil service) positions. Few professional or business people were attracted to the office and in many cases incumbancy seemed to guarantee automatic re-election.²⁹

Blacks by contrast have been drawn first from traditional machines (Turner, West), but later from the local Civil Rights and Black poverty arena. The fact that the traditionally oriented white majority tended to view city operations much like many of the city's civil servants tended to reinforce pro-labor, pro-operations spending in the city.

Under both Addonizio and Gibson, the City Council tended to play an exaggeratedly obstructionist role when policy disagreements arose, (principally over 'job sharing') with considerable public grandstanding and disruptions at normal business meetings. Budget approvals have been delayed for abnormally long periods, as well as approval of new state authorized taxes and appointments past the required limits. Problems were particularly acute under Gibson's first three years when most meetings achieved a 'circus' atmosphere and little business was accomplished.³⁰ For many older white members, on the other hand, attendance at monthly meetings was very poor and one member reported that almost no one showed up for the private budget reviews preceding the public hearings.³¹

C. Administrative and Bureaucratic Constraints

In Newark, as in most other large cities, administrative authority and control over fiscal policy is considerably fragmented through stable institutions of government and a permanent staff. The overhead or administrative agencies, while technically mandated to serve the temporal executive in his policy making effort, can undercut or dissipate authority or alter directions of policy considerably. Operating or line agencies which in Newark are highly routinized, inflexible units staffed with civil servants, are rarely responsive to policy shifts. The permanent staff of both overhead and line agencies further has tended to create a hierarchical distribution of labor through promotion of lower level workers to supervisory and middle management levels. This organizational feature of Newark's agencies has tended to elaborate a pro-labor identification in city government operations and works against policy changes from the top. Finally, the long standing tradition of racial discrimination in employment in the city acted to create considerable hostility toward change from a black administration.

1) The Administrative Units as Constraints on Mayoral Fiscal Policy

A key feature of Newark's administrative units has been their general underdevelopment relative to other parts of city government. While the apparatus for control over fiscal policy, administration, legal questions and physical development and planning were an important feature of the 1954 Charter until 1970, these units underwent little modernization in terms of their functions and responsibilities.³² Units

such as the divisions of taxes, accounting, treasury and assessments evolved large clerical staff, performing essentially routine clerical work and manual bookkeeping chores. There was little movement towards consolidation or mechanization of many tasks and operations were characterized by considerable duplication of accounting despite the introduction of a high speed computer and information system in the late 1960's.³³ Many tasks performed by units such as the assessments and purchasing office were found to be 'duplicative' and inconsistent with objectives of functions of the office during the Management by Objectives planning process during 1973.³⁴ In other cases, studies suggested that operations by line units such as the Motors Division of Public Works was handicapped by the absence of a true city purchasing function keeping track of orders and inventories of materials and supplies.³⁵

Yet another theme which handicapped evolution of fiscal policy in administrative units was the pattern of fragmentation and autonomy on one hand and the general absence of a notion of leadership in policy making on the other. True to Newark tradition, overhead units had evolved first separately as 'autonomous units', with well separated interest areas. Later, under Addonizio, development of overhead functions was suppressed in the interest of 'maximizing' control over financing, control and oversight over operating units by the mayor. In the first case, the autonomy expressed itself in the evolution of distinct areas of interest, function and control, with little coordination or interaction responsibility. Later, under Addonizio, functions were reduced to fairly routine operations largely 'servicing' the

autonomous operating units (police, fire, public works) and rubber-stamping approval of most of their actions.³⁶ Most of the key actors (the Business Administrator, City Plan Director, Corporation Council, Finance Director and Directors of Assessments, Controller, etc.) were close political aides or political allies of Addonizio, and there was little 'professional orientation' in appointments.³⁷

The tradition of underdevelopment and fragmentation proved a major constraint to innovation in 1970 along with new problems of introducing an executive-centered policy sense to government operations. While considerable improvements were made in fiscal policy under a highly credible professional appointment to the city's Finance Office, most of the other administrative units remained stable. Large clerical staffs of civil servants coupled with managerial staffs composed largely of 'internally promoted' clerks, created obstacles to introduction of new techniques in accounting and other finance maintenance. The data processing unit, introduced some years previously with the goal of implementing a city-wide accounting and information system, was reduced to 'service' at the request of units, had no formal timetable or plan and had largely failed at expansion of managerial accounting and control.³⁸ Many of the managerial level staff tended to accept the 'turf' system, wherein each unit had well specified functions largely separate from others. This has resulted in very low levels of coordination between administrative units, and a fairly low level of control from those with top responsibilities, notably the Business Administrator and Finance Director.

The sense of 'policy' proved a major constraint to change in the functions of administrative units under Gibson. As several management reports revealed, policy goals and objectives, whether outlined by the mayor in his budget statement, or evolved during the Management by Objectives process, a decisionmaking-managerial device introduced by the Business Administrator during 1972, were not moved into operational status.³⁹ Central mechanisms simply did not work. As one report suggested, after reviewing four separate 'policy mechanisms' fragmentation between groups and commitment was the problem.

...All four of the mechanisms are in varying stages of development and none is more than two years old. Coordination among the mechanisms and between the mechanisms and individual planning units has not been fully developed. The lack of coordination appears to be due to the development of mechanisms by separate groups and the lack of an overall framework for coordinating the development process.⁴⁰ [emphasis added]

In addition to the absence of a 'programmatic' and cooperative tradition in Newark's administration, under the first years of the Gibson administration two additional problems inhibited development of central policy and managerial control. One was a distance created between the Office of the Business Administrator and the executive; another was the development of policy and planning apparatus in the federal categorical grant system, attached to the Mayor's Office, but divorced from the rest of the administration and ordinary operations. The first problem, that of the Business Administrator was in part a personal misconception of the mayoral role in Newark on the part of the first business administrator, who had served previously as city manager of a small mid-west community, but who had never worked in a strong mayor system of government.⁴¹ Several assistants close to the business

administrator suggested that he came to Newark considerably handicapped by the fact that he was the personal choice of the business community and thus had no political allies in the city.⁴² He quickly alienated himself from the mayor, then largely failed in an appeal to the council for allies, which insiders suggested was entirely natural "since the council knew where the power in the city lay, and who they had to get along with".⁴³ Largely because of the conflict between the Business Administrator and the mayor's staff, however, several interest areas of managerial change which had received Gibson's interest were dropped.⁴⁴

In contrast to the problem with the business administrator's role in administrative reform, the policy and planning functions represented the evolution of the Federal grant system in Newark, under the Mayor's control, but without executive attention and direction. Nominally under the Community Development Administration (CDA), itself an adjunct to the mayor's office, the federal grant programs proliferated under Gibson's first years in office without central direction or control. The grant system was itself fragmented, and it grew even more fragmented in Newark, with a parallel proliferation of directors, sub-directors and other administrative titles for each grant. There was extensive duplication of administrative effort and little coordination.⁴⁵ Although initially organized under Addonizio as the city's Model Cities program, by 1970 CDA comprised dozens of other types of categorical grants, a staff of several hundred and was beginning to duplicate some of the city's administrative functions.⁴⁶ CDA posed several constraints on mayoral control over general policy and allocation problems. First,

its managerial staff and much of employment generated out of it was nonwhite, serving to dissipate the demand and community pressures for shifts in the city budget.⁴⁷ Secondly, much executive attention was diverted to the infighting generated within CDA and its numerous arms which, given the shifting nature of the Federal grant system, might have been more profitably spent on central administrative functions. After three years of existence, CDA was finally integrated into a planning and policy arm and many of the grants collapsed into the city budget.⁴⁸

D. The Operations Units as Constraints on Mayoral Fiscal Policy

In 1970, Newark's operating units as traditional line agencies posed major constraints on shifting the allocation of resources. Evolution of a highly traditional staffing practice, coupled with institutionalization of employment through civil service and unionization, largely locked in existing personnel to jobs and the largest part of the budget. In addition, the ethnic systems which had preceded Kenneth Gibson had converted much of the employment to titles and functional areas which reflected the ethnic labor force composition; many workers, given seniority and status of public employment, might have found it difficult to duplicate city jobs in the broader employment arena of the region.⁴⁹ Much of the managerial staff as well had risen in the ranks, through the promotional system. In the uniformed services and even in lower status work such as sanitation, managerial status and salaries for persons with little education would have been difficult to duplicate elsewhere.⁵⁰

In addition to staff, the bureaucratic organization of line agencies and the philosophy of 'operation' domination of city activities greatly inhibited any change taking place in the distribution of the city's resources.

The bureaucratic organization of Newark's line agencies exhibited a high degree of autonomy, with the internal system setting most goals for administrative activities, such as budget preparation, purchasing, etc., as well as organizing and implementing output functions. Until 1970, there was little external interference or policy input from the mayor, or control from the administrative arm of city government. Cost accounting, performance studies or other checks of work efficiency were unknown. Budgets were formulated internally, based on internally defined needs and the city's budget, as a result, became the sum of the autonomous 'request' parts.⁵¹ Since little information was provided other than through budgetary submissions, there was almost no means for control by the central administration. Under the 'ethnic' governments, the system worked well. Since functions in service terms were rarely an issue and further, since goals of employment could be reached as easily through autonomy as not, there was little conflict between the mayor, the council and line units. Addonizio did challenge the police system considerably in its hiring program, but he did so mainly through instituting separate units inside the organization which gradually adapted the bureaucratic system to its control, rather than through central administrative actions. Under Gibson, however, bureaucratic autonomy posed major obstacles to shifting of resources to newer, more modern services. Major efforts had to be devoted to gaining access to

information on operations, staff distribution, and output. The Gibson administration further was forced to initiate essentially duplicative services to satisfy some pressing community demands through the Federal grant programs.

The 'operations' domination of city activities has been made possible by the autonomy of operations in part, but also by the political tradition in the city which favored uniformed services and traditional property and safety functions frequently at the expense of human resources and service output destined for neighborhoods. Under the traditional regimes, police, fire and public works followed the emphasis of the commission governments in emphasis in budgetary and other terms. Attention was focused by the councils as well as mayors on these functions as constituting the 'business' of city government. Many of the human resources categories as a result also became oriented towards the 'operations' philosophy. The city's health department, for example, limited its provision of direct services and devoted a considerable part of its budget to functions in environmental services easily translated into the operations routine such as buildings and environmental inspections, licenses and bureaucratic services such as vital statistics.⁵² Great growth in the health area came mainly through institutions which spawned large maintenance staffs, but provided few direct health services. The operations philosophy proved a major constraint to introduction of new services or modernization of the old and particularly inhibited those responsive to human resources and population oriented needs. As a result, many 'services' have been introduced through federal and state grant-in-aid programs specifically flexible for

neighborhood distribution, or through the more radical route of a total reorganization of a function in the structure of government.

E. Constituent Expectations as Constraints on Resource Allocation

As one critic close to the Gibson campaign and the transitional government phrased it, expectations raised by the election of a black mayor are unrealistic given the general shape of problems and constraints of political tradition, the civil service and institutions in government:

After the election of a black mayor some blacks seem to think there will be jobs for everyone. Others look for immediate improvement of services and conditions in their neighborhoods. Meanwhile, the mayor quickly discovers he has little or no power over the bureaucracy and can meet few demands of his supporters. The result is that the people who comprise the major part of a black mayor's constituency and make his election possible are likely to become his strongest critics.⁵³

The problem of expectation of supporters during Gibson's first term extended beyond the question of shifts in benefits, however. Having won what many conceived was an ideological fight, minorities expected or at least hoped for changes in attitudes of whites in government and business and for greater 'respect' for nonwhite citizens. The fact that white hostility remained high posed no mean pressures on Gibson once in office.

A variety of specific grievances which underscored the campaign were carried over as demands into city hall in 1970. As Robert Curvin suggests, these could be grouped roughly into two categories: first, there were questions of an essentially 'service' improvements nature;

secondly, there were questions of minority participation in decisions and employment in government. In the first case, issues tended to be well articulated by a wide range of citizens' interest groups spawned in part by the Civil Rights and poverty program movements of the 1960's; major issue areas were health (the City Hospital), police and education where expectations were for major improvements. In the case of participation and employment, minority employment in city public works and construction contracts and city employment in general were at issue. In many issue areas, considerable spadework had been accomplished during the long years of protest serving to give the broad impression that achievement of goals could move forward quickly. The barriers posed by the position of mayor and the institution of city government to implement change, however, were not well understood by much of the community leadership.

In some cases, work groups and task forces had evolved very well formulated plans and programs for service increments, or new programs in neighborhoods. These programs, however, would have a direct impact on the city budget, or existing agency programs.

The city hospital question as well as that of a less controversial facility, a nursing home, revolved around demands for a state takeover and improvements in the service level of the facility to meet what was perceived as reasonable standards. Another demand formulated fairly clearly by 1970 by neighborhood groups was for decentralization of health care services. Several neighborhood groups were active in developing 'plans' for such facilities.⁵⁴ In the case of the Newark

police, the question was complicated, involving a series of issues including establishment of a civilian review board, increases in minority officers, patrolmen and a minority police director.⁵⁵ In the case of education, an assortment of long-standing issues included improvements of ghetto school programs, increased participation of parents and students in program formulation and other decisions, special services addressed to children with learning handicaps, cultural and recreational services, etc. In addition to the more 'stable' institutional issues, special interest groups which had emerged from the intense planning of the poverty program and Model Cities articulated needs in a wide range of service areas from pre-school aged children to environmental health and nutrition.

Minority participation in government service areas and in employment was a particularly strong issue for the new mayor in 1970. A strong thrust had developed around integration on public construction contracts for which blacks and Puerto Ricans had been long under-represented.⁵⁶ The absence of even a Federally required 'home town' plan for integration was a major grievance and considerable efforts went to convince the Mayor to initiate one.⁵⁷ The city employment picture was not much better, and there was a wide expectation that employment increments would go to blacks and Puerto Ricans.

The often well-formulated demands from the minority community worked a considerable hardship in some areas, while at other times served to some extent to accelerate changes. In some service areas -- health, for example -- institutional change was promoted to some extent by

pressures and by the existence of a 'head start' by neighborhood groups on planning for decentralization of services.⁵⁸ Similarly, in some employment areas, there was less white resistance to change, or an 'expectation' that minorities would somehow be favored in recruitment and promotion. The case of the Model Cities Administration represented the latter case; there was a general expectation that nonwhites would have priorities in employment generated by the agency. On the other hand, the Gibson administration was heavily criticized for not appointing blacks to highly visible jobs such as the Police Director, or for pressing more strongly for a police Civilian Review Board and other control devices over police behavior.⁵⁹ Similarly, the demand for increased participation and control over public education in Newark was perceived to be a mayoral responsibility, despite the limited legal authority the mayor had over public school administration. While Gibson did use his power of appointment to the Board of education liberally to increase minority representation and even appointed a 17-year old high school student to the Board, the critical issue of employment could not be attacked.⁶⁰ When confronted at last by a majority nonwhite board in 1970, the newly militant union walked out. Since the issue was a disagreement over the expiration of a contract (and the refusal of an extension by the black dominated Board of Education which wanted to renegotiate the expired contract), and further the strike was illegal, not surprisingly many observers felt the issue behind the strike was nonwhite employment in the school system and local control.⁶¹

One major problem facing Gibson in 1970 was typified by the strike; community demands to some extent, as well as an emerging leadership, tended to set demands very high, while (usually white) opposition tended to harden into particularly resistant patterns. Issues quickly escalated to 'crisis' proportion. In the case of the strike of Newark teachers in 1970, militant parents as well as disorganized groups of other interests, black and white, emerged to fan flames of the confrontation. This served to inhibit any satisfactory settlement or compromise.⁶²

For the vast majority of Newark's nonwhites, however, it is possible that some of the lowest expectations were the most difficult to deliver given the institutionalization of values, civil service rules and absence of reform mechanisms or legal redress available to the new mayor. In areas where relief of abuse from the old system was the primary demand, such as the case of police attitudes and harassment of juveniles, or refuse collection in neighborhoods, constituent demands were for modest change. To effect change, however, was to some extent far more difficult than a major reorganization say of the city health system. Such modest demands ran headlong into the entrenched system of Newark's ethnic power structure at its lower ends. As Ron Porambo reported pessimistically, after a year, police brutality was still going on in Newark and the hated Dominick Spina, Addonizio's bullying ex-Police Director, as well as most of the other police of 'questionable behavior' were still on the city police payroll.⁶³ There were attempts at change on the environmental level and a complaint bureau was decen-

tralized into neighborhoods, staffed with neighborhood people.⁶⁴ The indifference in the city operating departments to responding to these modest demands -- in sanitation, code enforcement, etc. -- however, remained a serious problem which would only be solved over time. Meanwhile, the more modest demands had to compete with big crises and the city's serious financial state for the new administration's attention.

F. The Constraints of Regional Demands and Expectations

A major constraint on the new administration in addressing the question of shifting city resources lay in the financial crisis which technically produced a bankrupt situation in 1970, and which demanded almost full attention to resolve in order to forestall an even deeper crisis. This issue, however, was matched by an equal urgency for fiscal reform to get the city on at least marginal footing so that it might meet its payroll. Other reform was urgently needed in some areas threatened with scandal or financial collapse, or both, including the city school system and the Housing Authority. While the latter agency was independent of city support (except for local matching shares on grants, usually made through the city's capital budget), HUD investigations that year indicated that the Housing Authority could easily be taken receivership and considering the evidence on illegal activities perpetuated on its contracts, probably should be.⁶⁵ The demand for these urgent changes and an accompanying need for general reform in city operations was pressed primarily by regional forces, including the state, federal interests and the city's corporate business elite. The

problem of reform, already complex, was exaggerated by the urgency of the time frame, the lack of real commitment to aid the new administration and, on the part of state government, the confusion generated by conflict between 'those who would help' and those who were openly hostile to the new administration.

1) The City's Fiscal Crisis

There is no question that the Gibson administration probably inherited the worst public fiscal crisis in recent times in the U.S. What is less well understood, however, was the state role both in creating the crisis and shifting the burden for solution to the city. In 1971, Newark faced a pending budget deficit of 42 to 63 million dollars. A large part of this was directly traceable to the prior year. The outgoing administration had manipulated the tax rate by failing to budget \$17 million for the school budget and an additional 4.3 million for teachers' salaries incurred in a strike settlement. Technically, these questions should have been raised by the state prior to approval of the city's budget. Instead, however, the state simply reduced the city's urban aid grant (a block grant based on reapportionment of the state sales tax to urbanized localities) to make up part of the deficit.⁶⁶ Without some kind of state assistance, a school closing was forecast.

Trenton was largely unsympathetic. While the new governor, Cahill, generally sympathized with the problem, the state legislature, including Newark's representatives, were unsympathetic, if not hostile.⁶⁷ The best that Gibson could propose was new taxes since a state takeover of

the city's school system was out of the question. The city was already finding it difficult to get an agreement on a state medical school takeover of the city's hospital. Gibson proposed a state takeover of the City Hospital, a tax on fuel at Newark Airport, and either a two per cent income tax or a two per cent business-paid payroll tax. The income tax was preferred since it would be based on earnings, while the payroll tax would be applied to all businesses, irrespective of earnings, or of whether the business was operating at a loss.⁶⁸ After months of haggling, it was clear that the more equitable tax had no chance. Suburbanites, who by now dominated the state legislature were unwilling to absorb any part of the city's budget and the Essex County delegation, dominated by communities surrounding the city and a workforce heavily composed of Newark commuters, refused to support the mayor's proposals. The legislature finally grudgingly passed as a 'temporary measure', subject to annual review, authority for ten new tax levies, comprising a series of nuisance taxes and a 1 percent payroll tax.⁶⁹ An additional 15 million dollars was added in the form of urban aid but the potential impact of the total package was far less than needed to bring the city out of its financial straits.

To the state legislature's hostility, however, was added that of the white dominated city council which adamantly refused to recognize the deficit crisis. Initially the council rejected approval of any new taxes, reportedly on grounds that the measures were punitive to Newark and that they had not been consulted.⁷⁰ A final reluctant approval was granted, however, for only three of the authorized 10 taxes; clearly,

the crisis was averted only temporarily and could recur annually.

2) Reform in Administrative Areas of Government

Added to the city's fiscal and tax crisis was that of demand for reform, in part represented by pressures from regional interests, in part represented by demands from local residents. The eight preceding years of neglect and use of the city apparatus for interests of political reward generation had added to the fiscal crisis a dimension of disarray, particularly on the administrative level. While the city's tax base was being gradually chipped away by state rule changes, new exemptions granted to urban renewal projects and expansion of large tax exempt facilities such as the Port of New York Authority, the local tax and assessments offices added to the problem by allowing a steady erosion of assessments through court actions challenging local assessments and through failure to track down properties 'lost' on the tax rolls. Further, a backlog of uncollected taxes was mounting and totaled \$13 million annually. The effects both on the loss of assessments and the backlog were devastating on the budget and, further, hinted that reasonable reforms might have retrieved a not unimportant part of the deficit.⁷²

In addition to the tax and assessments problem stood the larger questions of retrieving some order in the personnel system, and organizing some coherent centralized managerial function in the city. These latter demands were expressed most often, however, as a simplistic solution which avoided attacking the real problem of reorganization of government in the city.

The demands for reform were articulated to a very limited degree by the city's business elite, or more properly, their paid lobby group, the Newark Chamber of Commerce. In 1970, Gibson appealed to the corporate elite to assist him during the transition period of government in reorganizing the administrative and fiscal apparatus of the city. While individuals in the corporate environment promised assistance, very little materialized. Despite the concentration of corporate wealth in the city, for example, about all that was contributed in the way of assistance during the transitional government period was the 'loan' of some middle management advisors and a grant of \$10,000 spread over four years to supplement the salary of a new business administrator for the city.⁷³ Moreover, when Gibson appealed for support of the tax package, key actors either remained silent, or accused the city of breaking faith with business.⁷⁴

Corporate demands for reform in the city government were in traditional areas of reorganization and cost savings; these, however, were wholly unrealistic given the state of the city, and the tremendous conflicts of the business community's position in the city. Newark's business elite had played a role of ruthless exploitation of the city, according to some, beginning with the 1940's when corporate elites based in Newark shifted pressuring city hall to Trenton, passing devastating tax legislation.⁷⁵ By the 1960's, when the ethnic governments took over the situation was even worse. Having continued to pressure the state for removal of tax liability to the city, Newark's business elite adopted a hit and miss approach to maintaining interest in the city when

it was profitable, then ignoring it when potential costs arose. With a mainly suburbanized workforce and a local political leadership pre-occupied with 'spoils', government reform hardly dominated business interest thinking.

In proposing reforms, but offering little or no support for tax reforms which would solve the initial crisis problem and lead to tax reform in the city, the Gibson administration was left largely to fight the city council over changes in the administrative structure and the new taxes granted by the state legislature. With no incentive or threat, the hostile and irresponsible Italian-dominated council refused to consider the most marginal changes, even when cost savings were introduced. Approvals for state and federal grants-in-aid, which would have cost the city nothing, for example, were denied. A reorganization plan designed to save the city \$4 million was turned down. Finally, after months of delay and an eventual passage of a few of the taxes authorized by the state, the council refused to pass on funds necessary to collect the taxes.⁷⁶

G. Summary

The mayoral victory of 1970 was widely viewed as a victory of blacks over white power, corruption and neglect and an opportunity for representation and sharing in the benefits of city government at last. On one level, most blacks viewed the electoral victory as a symbolic victory over the forces of racism for which the broad national community could be proud; that it was won through black unity demonstrated yet another

achievement. In 1970, as one participant suggested, blacks were hardly concerned that the city was old, broken, and wornout or that white business and white people were leaving or that the assessed valuation of property was tumbling; "it's ours and we'll take it, and furthermore how many blacks benefited from those jobs and businesses."⁷⁷

The new administration, however, faced a different set of issues circumscribed in part by the office and in part by the necessity to manage a city government within the institutional framework defined by law and the office. For some blacks, furthermore, there were expectations that change would occur, both modest and dramatic.

The constraints of instituting required steps merely to maintain the city were enormous; the constraints to make changes to reach the demands of nonwhite constituencies were even greater. A first major constraint was posed by the institutional and legal constraints of the city government and the office of mayor within the state framework. Not only was New Jersey a relatively backward state in terms of its attention to support and development of localities in the most general sense, a dominant conservative and highly fragmented political culture in state government was reinforced by the expansion of representation in the state legislature of suburban interests, whose main objectives in areas like Newark were to keep the poor in check. The fact that many suburbanites could escape support of their city workplaces through an antiquated tax system assisted in a systematic veto of change in state fiscal policy. City government institutional constraints

reflected the state limits. While possessing a strong mayor-council system, Newark's charter allocated enough authority to the council to create the illusion of genuine power in the minds of councilmen over the years. Long years of Commission government prior to 1954 created a conception of government as 'the sum of the parts' and the ethnic government tradition prior to 1970 reinforced the notion by 'dividing the spoils' along ethnic lines. In 1970 the pattern was broken but a white dominated council persisted in insisting on sharing spoils, or thwarting development of black leadership in government.

A second large constraint lay in the underdevelopment of an administrative or managerial apparatus in city government, an absolute requisite for resolving the city's fiscal crisis as well as 'modernizing' the operations parts of government. In Newark's tradition, a central administrative part of government was viewed as unnecessary, if not disruptive of the system of power sharing and maximizing of employment growth. The absence of an administrative core assisted in the growth of a fragmented set of city functions, autonomous and unrelated to one another or the whole. The functions were traditional operations of government, emphasizing security, property maintenance and control at the expense of newer human oriented service functions and over the years had spawned a constituency of lower level civil servants and blue collar workers. With the entry of a strong Civil Service system and unionization in post war years, these units had become semi-permanent, self-contained and nearly devoid of checks, either from the central government or the external environment. The 'operations' philosophy

of the council and Newark's post-war mayors, however, had strong overlaps with stability, job growth (particularly on a fairly low level) and little diversification which might generate checks on the system. As constraints on change, the operating units posed formidable barriers. A largely white workforce (many with low skills and low mobility outside Newark) promised to resist integration and was threatened by the appointment of black and white professionals alike as department heads and middle management. The new planning philosophy was an additional threat to those 'risen in the ranks' with little education and little adaptability to new task requirements, policies and the like. The civil service system and the unions were additional strong barriers to change, and generally stabilized the internalized system, obsolete or not.

A final constraint which figures in barriers to change was that of two types of demands from the external service environment of the city. On the one hand, nonwhite constituents had long lists of specific grievances and demands for change and many had high expectations for rapid execution of modest changes such as relief from the worst output of the white power system. Others demanded rapid shifts in the allocation of jobs and contracting to benefit nonwhites. Still others hoped for a filling of gaps in the array of city output more useful for use by a poverty community. However posed, practically none could be met immediately and many clearly could not be met without a fundamental reorganization of government and total change in personnel. At the other end of the scale were regional interests, including an ambivalent

and shifting business elite, state government and Washington, D.C. The business community's constraints were posed less by the expectation for reform than by the expectation for reform at no cost; despite considerable resources, little direct assistance was provided to the new administration immediately, future commitments were vague and almost no support was given where it would count most, on tax reform in the state legislature. The state played an equally negative role on city assistance; a suburban dominated legislature promised to inhibit genuine tax reform in the state while at the same time expecting 'clean', stable government in the city. The Federal government, while more lenient in grant assistance, only belatedly used its authority to 'find' corruption, waste and disorder in its grant supported programs after long years of looking the other way and made it clear it would tolerate no similar errors on Gibson's part.

With formidable obstacles operating on all sides, and very meager resources of the office of mayor, the first year of the Administration's life saw dire predictions which ranged at best for very slow and marginal change and at worst for total failure.

Chapter 5: A Black Administration in Power: Forcing Change
in Resource Allocation in Newark

While great pressures were brought to bear early in the Gibson administration to force changes in the stable pattern of government operations, a great many initial plans were scrapped and others modified to reflect the real constraints of change in the city. Faced with major legal, institutional and political limitations, efforts to base change on planning and logic were quickly discarded. Instead, a pattern of policy making emerged based on the opportunity presented by timing, discovery of power vacuums, generation of new resources and the availability of strategic skills.

Early in the life of the new Gibson administration, a priority was placed on shifting the allocation of the city's resources. Initial failures in these areas resulted in generating new resources, principally through new taxes and grants-in-aid. The shift in allocation of existing resources emerged as a later theme; with the threat of decline in external resources and constraints on new taxes, the administration turned to the city budget for 'slack' to reduce deficits and redistribute some long-sought for committed resources to human resources areas, black employment and other goal areas.

In addition to the generating of external or new resources, considerable attention was placed on reorganization of city departments in the Gibson administration. Here again, constraints forced the 'shelving' of an initial reorganization plan in favor of a less systematic reshuffling of

responsibilities. While actual changes did create important impacts on goals of increasing mayoral control and minority employment, nearly all were made in the 'low profile' manner traditional to Newark. This helped reduce alienation of the losers, particularly those retaining considerable power.

A third priority area was in the area of appointments and personnel. Attention in this area reflected the goals of expanding nonwhite personnel in city employment and gaining control and a mayoral perspective on key operations. Gibson's policy on appointments was fairly disjointed and in controversial areas encountered major stumbling blocks with the council. The technique of 'redefining' key jobs in terms of high qualifications (thereby excluding local whites with seniority and undercutting other council objections) backfired frequently when few qualified nonwhites willing to locate in Newark could be found. In the more general personnel area, constraints to integration posed by the civil service system and the growing influence of unions in the city inhibited rapid change. Nonwhite increases in city employment thus relied heavily on the creation of new spending areas, many of which were weak in dependency on uncertain Federal grants.

This chapter examines the issues Gibson faced during his initial years in office and the pattern of strategies taken to effect change.

The first part looks first at the area of budget and revenue policy in the city, some of the efforts at change and outcomes of the Gibson administration. In particular, the city's general budget situation, the

results of tax and grant-in-aid efforts are examined during the Gibson administration's first term and contrasted with trends up to its entry into office.

A second part looks at the effort and effects of attempts to reorganize city government during the initial years of the Gibson administration. In particular, the pattern of attempts, resistance and outcomes and use of mayoral prestige in the case of several operating departments are evaluated. Some of the short and long range impacts of reorganization changes on resource allocation in the city are also considered.

A third part of the chapter focuses on the administrations efforts, successes and failures in promoting integration in city personnel and stabilizing policy priorities in several agencies through the appointments process. Issues behind the failure of the Gibson administration to develop a personnel affirmative action plan as well as the constraints on appointments are examined along with the issue of 'federal employment' as integration safety valves operating in the city.

A. Changes in Budget and Tax Policy Changes in Newark

Gibson's fiscal policy evolved through two stages during his first term. The first stage consisted of attention focused primarily on resources and little on the budget. The second was characterized by considerably more attention to departmental spending.

One reason was the administration's inability to change resources without generating superior opportunities for success in the tax and

grant-in-aid area. As a result, overall growth of expenditures during Gibson's administration were higher than under the prior four years of the Addonizio administration. Much of the overall growth reflected increases in revenue available for spending, principally new taxes. High growth in spending was true for all categories of expenditures, whether property and safety, administration and control, or social and human resources. The Gibson bias in favor of expansion of the latter two categories over the first (comprising police, fire and public works), however, is visible in higher growth rates of the latter and in their growth as a proportion of total spending.

1) Changes in Spending Patterns Under Gibson

Expenditures in Newark increased substantially under Gibson compared to the previous four year Addonizio administration. a 61.01 per cent increase in total spending took place under the Gibson administration compared to 30.69 per cent under Addonizio. Most of the increase, moreover, took place in department expenditures, rather than 'fixed' expenditures such as pensions, interest, school expenditures, etc. For example, while departmental expenditures increased around 21 per cent under Addonizio and fixed expenditures increased by 52.0 per cent, under Gibson growth contrasted in these areas by around 75 per cent and 36 per cent respectively. Moreover, most categories benefitted from the total increase. Of the three broad budgetary categories -- property and safety, administration and human resources -- all shared in the overall growth. Of changes over the eight year period covering the two administrations, no less than half the growth in the three

Aggregate Expenditure Categories: Newark 1964-1974

	% Change		
	<u>1964-69</u>	<u>1970-74</u>	<u>1964-74</u>
1. Environmental/Property/Safety Categories			
-Public Works	20.99	41.42	71.01
-Police	38.89	35.18	87.75
-Fire	32.21	54.43	104.07
Total Category	31.14	41.87	86.05
2. Administration/Control Finance Categories			
-Administration	-12.47	54.49	35.24
-Law	77.59	36.55	142.41
-Finance/Assessments	28.48	88.11	141.68
Total Category	21.19	75.67	114.19
3. Social/Consumer Categories			
-Library	-2.28	31.90	28.91
-Museum	16.75	11.54	30.11
-Parks, Recreation	35.78	150.74	239.76
-Health and Welfare	13.78	31.23	49.32
Total Category	12.53	73.75	95.52
TOTAL Departmental	30.69	61.01	110.52

Source: City of Newark, Operating Budgets, Newark, New Jersey.

broad categories took place under the Gibson administration.

Much of the spending growth can be explained by changes in total revenue available to the city under the two administrations. Revenue composition changes may also explain some changes. Finally, Addonizio's budgetary policy during the final year of his administration did exclude some expenditure which was shifted to the initial Gibson budget year.

Revenue growth kept pace with expenditure growth during the two administrations. A dramatic shift took place under Gibson with an increasing dependency on non property-tax resources, possible mainly through the introduction of several new taxes (notably a payroll tax and gross receipts taxes) and grants-in-aid from state and federal levels. Under Gibson, non property tax income increased by 167 per cent in contrast to 145 per cent under Addonizio; the proportion of this income (in contrast to property tax as a proportion of total revenue), however, increased from around 23 per cent under Addonizio to around 70 per cent under Gibson.

Shifts in the composition of revenue in Newark under Gibson permitted a change in emphasis in spending between categories of expenditures in the budget. Shifts in composition also undoubtedly reflected policy emphasis shifts of the two administrations which favored growth of some spending categories over others. For example, while the highest growth rates under Addonizio were in police and fire, by the time the Gibson administration came in during the latter half of the

Newark: Expenditure Composition 1964-1974
% Total

<u>Unit</u>	<u>1964</u>	<u>1966</u>	<u>1968</u>	<u>1970</u>	<u>1972</u>	<u>1974</u>
Mayor's agencies	6.87	6.61	5.95	5.88	5.34	5.43
Clerk; Council	0.87	1.31	1.00	1.24	0.88	1.09
Administration	1.16	1.08	1.03	0.83	0.80	3.88
Law	0.37	0.36	0.41	0.51	0.48	0.42
Finance	2.16	2.23	2.64	3.12	3.24	3.33
Assessments	0.77	0.76	0.63	--	--	--
Public Works	19.97	19.13	19.01	19.06	18.36	16.08
Parks, Rec.	--	--	--	--	--	2.77
Police	24.26	25.92	25.16	28.69	28.40	21.45
Fire	14.38	14.73	14.59	16.28	16.95	13.82
Health & Welfare	10.80	8.88	11.20	21.19	11.20	7.59
Hospitals, Instit.	16.00	16.12	15.82	--	--	--
Unclassified	2.39	2.74	2.54	3.18	14.46	23.00
Total Departmental	99.99	99.94	99.98	99.98	100.00	99.82

Source: City of Newark, Operating Budgets, Newark, New Jersey.

decade, expenditure increases were concentrated in social and human resource categories -- notably parks and recreation and health and welfare -- and in general administration and finance.

Between 1970 and 1974 under Gibson, Parks and Recreation functions, for example, increased by 150 per cent in contrast to around a 36 per cent increase under the previous years. While Addonizio's administration had devoted somewhat more attention to this area than others (at the time it was part of Public Works), it was emphasized even more under Gibson as it was a 'newly' created department. Health and Welfare increases under Gibson also reflected somewhat more liberal welfare grant policy as well as the growth in spending in health services and environmental inspections areas, particularly housing.¹ The total effect was to increase health and welfare spending by 74 per cent under Gibson in contrast to the 13 percent increase the previous four years.

The remaining components of the social and human resources areas, the cultural facilities (museum and library) received somewhat different attention. The library expanded its program considerably under the Gibson administration. Part of this expansion was supported by increases in state 'sharing' of local budgeted expenditures which permitted an increase of 32 percent in contrast to the 'loss' under the previous administration. The museum is a small facility incorporated into the city budget in post-war years when private resources failed; its budgetary expansion during both administrations reflected

a general ambivalence in the city towards its general future in the city budget.²

Growth in the area of administration and fiscal categories was stronger under Gibson than Addonizio, once again reflecting policy priorities, particularly in the area of finance. The finance area (including taxation, assessments, treasury, accounting and data processing) increased budgeted expenditure by around 88 per cent under Gibson, in contrast to 28 per cent under Addonizio and the administration category (administration, budget and purchasing) also gained by approximately 55 per cent, in contrast to a 12 per cent loss under Addonizio. The attention to the finance area under Gibson reflected the general priority placed on increasing staff to accommodate an updated financial planning and accounting system necessitated in part by the increase in revenue in the city and in part by general disorder in the old system.³

Changes in the property and safety categories of spending between Addonizio and Gibson only partly reflect policy. The growth of spending in these categories increased more under Gibson than Addonizio, and all parts gained with the exception of police, though growth was less than in other non property-safety categories of spending. For example, despite the stripping away of substantial parts of Public Works for creation of the new departments (Parks and Recreation and Engineering), public works as a whole gained 41 per cent under Gibson in contrast to around 21 per cent under Addonizio. Similarly, fire expenditures also grew at a rate outstripping most other expenditure

categories. Finally, while the total gains to the police department were lower than under Addonizio, the growth was still almost half of the near doubling of the expenditure over the decade.

One general explanation which can be offered is that these categories are highly stabilized in increase terms because of wage increments and step and promotional increments are institutionalized in state civil service systems and union contracting (again dominated by state rules). Another explanation is found in some personnel increases. Personnel increases took place, for example, in police both in traditional patrolman categories and in non-sworn categories (respectively approximately 50 additional patrolmen and 160 school traffic guards), adding around 20% to the police budget. A third explanation is offered by the fire category. While police and public works tended under Gibson to be closely scrutinized, the 1974 budget hearings suggested that the fire department was to some extent 'favored' in the budgetary system for political reasons. The director, Caulfield, had supported Gibson's 1970 election, and thus more leniency was shown in 'cutting' requested expenditure requests.

2) Revenue Growth Trends Under Gibson

Revenue growth was generally stronger under Gibson in all but the property tax categories. A dramatic increase in the growth of non property tax categories took place under Gibson as well as a growth in grants-in-aid; both these trends reflected to some extent the Gibson 'success' in development of new, non property tax sources of revenue.

Revenue Growth Trends, Newark, New Jersey: 1964-1974
% Change

<u>Type</u>	<u>1964-1969</u>	<u>1970-1974</u>	<u>1964-1974</u>
Surplus	11.73	87.50	112.58
Misc. Revenue	145.29	166.84	554.52
Receipts Delin- quent Taxes	50.00	16.67	75.00
Property Tax:			
Municipal	125.95	0.34	126.71
School	-13.42	-31.54	-40.73
Total	- 7.32	-28.14	-33.40
GRAND TOTAL	30.70	61.07	110.52

Source: Annual Operating Budgets, City of Newark, New Jersey.

The growth in grants-in-aid, also reflected Gibson efforts, particularly in changing the state grant formulas for the city. While overall revenue grew under Gibson by 61 per cent (in contrast to around 31 per cent under the prior administration's last four years), property tax growth for support of municipal budgeted expenditures declined.

Growth trends in the generalized categories of revenue are explained by shifts in composition of revenue between Addonizio and Gibson. While in 1968, 48 per cent of Newark's municipal expenditures were supported by the property tax, by 1974 this had dropped to 21.5 per cent with the slack and growth taken up by a combination of new taxes and grants-in-aid. New taxes (a payroll tax, parking lot receipts tax, a gross receipts tax and franchise taxes) added an additional 22 million dollars to the city's revenue by 1974. During the initial short period since approval, these taxes have shown growth superior to property assessment gains over the decade. Other revenue increases have occurred in the area of grants-in-aid. Gibson succeeded in renegotiating the state's urban aid grant, a grant for the larger, more troubled municipalities; this is a 'flat grant', however, rather than a formula, and remains stable irrespective of shifts in spending, as has other state per capita apportionment taxes. In the case of the apportionment taxes, Newark has gained nothing at all because of the 'losses' in population.⁴ Another category of gain was in a renegotiated lease on land to the Port of New York-New Jersey Authority which produced an additional \$1.5 million and, finally, Federal State and Local Fiscal Assistance (revenue sharing) produced an approximate addition to local revenue of \$12 million in 1973 and 1974.

Revenue Composition Trends, Newark, New Jersey: 1964-1974

<u>Type</u>	<u>% Total Revenue</u>					
	<u>1964</u>	<u>1966</u>	<u>1968</u>	<u>1970</u>	<u>1972</u>	<u>1974</u>
Surplus	4.53	6.91	7.53	7.82	1.89	4.51
Misc. Revenue	22.68	26.04	38.43	39.82	62.93	69.78
Receipts Delin- quent Taxes	5.06	8.04	5.52	6.22	7.58	4.21
Property Taxes:						
School	2.97	3.35	5.14	4.01	5.08	3.20
Municipal	64.99	55.65	46.44	23.85	22.51	18.30
Total	67.96	59.00	48.51	46.08	27.59	21.50
GRAND TOTAL	99.99	99.99	99.99	99.94	99.99	100.00

Source: Annual Operating Budgets, City of Newark, New Jersey.

*Includes school emergencies and debt service only.

Note: 1974 composition based on revenue estimates only.

Miscellaneous Revenue, Newark, New Jersey: 1971-1974

<u>Category</u>	<u>1974*</u>	<u>1973</u>	<u>1972</u>	<u>1971</u>
Municipal Courts	2,056,300	2,056,388	2,040,003	1,692,113
Franchise Taxes	3,711,400	3,711,420	3,406,834	3,000,263
Gross Receipts Tax	4,813,800	4,813,810	3,944,866	2,883,320
Interest on Investments and Deposits	1,000,000	1,729,525	799,741	176,980
Fox-Lance Limited Dividend Receipts	2,242,600	2,242,615	2,178,158	569,799
Franchise Tax-Domestic Life Insurance Cos.	5,004,300	5,004,341	4,608,381	4,417,225
Sewer Service Charges	2,111,700	2,111,722	1,685,480	1,000,001
Payroll Tax	11,656,000	11,657,071	11,545,684	8,296,109
Parking Lot Receipts	1,400,000	1,412,719	1,345,926	737,321
Port Newark-Port Lease N.Y.N.J. Authority	2,263,000	579,000	579,000	579,000

*Note: Estimate only.

Source: Annual Operating Budgets, City of Newark, New Jersey.

Major State and Federal Taxes, Transfers and Grants-in-Aid
in Newark, New Jersey: 1971-1974

<u>Category</u>	<u>1974*</u>	<u>1973</u>	<u>1972</u>	<u>1971</u>
<u>State Taxes and Aid:</u>				
State Aid Railroad Tax (R.S. r:29A)	1,209,538	1,238,629	1,266,732	1,301,130
Replacement Revenue Business Prop. Tax	12,222,679	16,886,990	15,646,632	15,222,679
State Sales Tax Interest on Aid Per Capita	1,335,021	1,332,407	1,332,407	1,671,150
State Aid: School Building Act	1,433,498	1,419,883	1,409,355	74,250
State Aid: Building Allowance for Schools	3,717,682	3,245,782	2,882,154	2,448,794
Urban Aid Funds	11,152,639	7,435,889	7,435,889	7,435,889
<u>Federal Aid:</u>				
Fiscal Assistance Act of 1972	11,214,703	13,563,788	--	--
Planned Variations	11,604,028	930,000	--	--

*Note: Estimate only.

Source: Annual Operating Budgets, City of Newark, New Jersey.

Apart from revenue sharing, much of the additional revenue growth in the city beginning in 1970 could be attributed to a priority to resource raising by the Gibson administration. Gibson personally pressed the state strongly during the initial six months of his election for creation of new taxes and for changes in the reapportionment and urban aid formulas. While the effort was often an uphill struggle and Gibson failed in an attempt to get the state's permission for an income tax, new tax authority was granted as well as changes in some state grants-in-aid to benefit the city.⁵ Observers suggest that had the strong effort not been made it is unlikely that a state response would have been forthcoming.⁶

Grants-in-aid from the Federal government were also pressed strongly by the Gibson administration. Most are not reflected in the budget, however, since they are special purpose categorical grants. Many did, however, provide for supplemental services in human resources areas and were used to support key administrative appointments and planning activities in the administration.⁷

B. Effort and Impact of Structural Reorganization of City Activities

Structural reorganization of government played an important role in changing the city's resource allocation picture within a relatively short time. Changes which can be identified include direct shifts of past budgeted expenditure into essentially new functions (including new personnel categories, etc.), growth in expenditures in new areas, probable acceleration of racial integration on workforces where new

areas have been initiated and some psychological changes directly related to new perceptions of mayoral power. While an early attempt was made to introduce a systematic reorganization plan, a quick failure discouraged any new strong attempts. Instead, structural reorganization of the city under Gibson proceeded on an ad hoc basis following no formal plan. Two types of changes were achieved, however. One was the creation of new departments and another was the elimination of old departments. Within some old departments, in addition, other functional changes took place owing to an additional pressure which built during the middle of the term, the withdrawal of several large categorical grant programs from the city and integration of others into the city budget formally.

1) Problems of Structural Reorganization of Government

Newark's functional organization remained fairly stable between 1954 and 1970, when the city government was reorganized from a five part commission structure to a six part organization.

The City Charter required that six primary departments be established, and few changes had been made to the initial six over the 1954-1970 period.

In 1970, Gibson attempted, in presenting a total policy package to the Council to reorganize some functions.⁸ A high priority was placed on elimination of the 'institutions' category, long a sore spot in Newark, a special generator of black community wrath over the years, and finally, an area that the state of New Jersey Health Department had hinted made the city in violation of state health codes.⁹ Both the

overall plan and the plan for elimination of the institutions were opposed by the Council.¹⁰ Gibson then dropped the overall reorganization plan and turned back to the state for assistance in picking up the City Hospital, under the administration of the New Jersey College of Medicine and Dentistry. The second health institution, a 'nursing home', which appeared to have as clients mainly elderly Jewish patients, was left for the state to finally close as a 'hazard' a year later.¹¹ Reorganization policy from that time on proceeded primarily on an ad hoc basis, with the administration 'fighting it out' with the council on each of the changes.

Initial changes were modified considerably. A plan to modify the Health and Welfare Department was dropped entirely. Reorganization of the Police Department, never formally demanded, was left largely to the director, John Redden, as was the Fire Department to its director, John Caulfield. This left among operating departments Public Works and several administrative divisions.

It is difficult to relate the council's attitude toward structural change to refusals to approve reorganization and change initially. The council systematically disapproved almost everything proposed by Gibson, including grants-in-aid from the Federal government, which required no local share. There was, however, eventual approval of many radical structural changes. Robert Curvin, who served during the transitional administration period, suggests that the failure of Gibson to talk about 'patronage' (Curvin suggests, because there wasn't any to talk about) accounts more than anything for the shift in

behavior.¹² Another explanation, however, may have been the initial fear of alienating older (mainly Italian) workers, thus reducing further the remaining Italian power base in the city.¹³ This factor may have declined as a problem later.

C. Implementing Structural Reorganization: New Departments Versus Old

Two key themes dominated Gibson policy on reorganization. One was the creation of new departments, conceived as the highest priority, given the considerable constraints of council agreement. Another was the internal reorganization of existing departments. Public Works emerged early along with Health and Welfare as likely target areas for radical changes, while the police department, Finance and the the Community Development Administration (CDA) in the mayor's office were prime targets for the latter type of change.

1) Creation of Two New Departments: Politics of Public Works, Parks and Engineering

Public Works in 1970 was a sprawling complex agency comprising separate divisions, divided into a complex of functional types: (1) environmental maintenance, sanitation, (2) maintenance of city property, and (3) service to city equipment. In addition, some social programs were included in the parks and recreation program, the locus of which was in the Office of the Director of Public Works. Theoretically, an engineer headed the department; under Addonizio the job had shifted to a political appointee and the City Engineer (a state requirement), had no personal staff and appeared to work on a part time basis.¹⁹

The structural reorganization plan which emerged for Public Works took only general account of the operating problems (identified to some extent in consultant reports), but focused more on getting radical changes through the council. Three were proposed and executed under Gibson: (1) removal of parks and recreation to be reconstituted as a separate department; (2) removal of 'engineering' types of functions to be reconstituted as a separate department; (3) shifting to public works of a 'traffic and signals' division from the Police Department. Principally because of the council question, policy and preference questions underlying the changes counted more probably than efficiency or other 'objective' administrative criteria.

In the case of parks and recreation functions, the policy and preference criteria were most visible. An obvious service area and particularly addressed to the question of critical juvenile problems in Newark, in 1970 the functions were scattered in several bureaus in Public Works.¹⁴ Further, the character of the functions was dominated by the 'operations' and maintenance philosophy. Two of three divisions, Parks and Grounds and Baths and Pools, were staffed primarily with blue collar personnel concerned primarily with facility maintenance, while a third, Recreation Centers, supplied staff for programs in neighborhood recreation centers and parks. During the riot years, substantial increases in activities did take place, aided primarily by Federal grants; the buildup was mainly during the summer, however, and large decreases took place once summer was over.¹⁵ Removal of the activities from Public Works could be interpreted either as a move to stabilize

the output part of the program, or to reduce the overwhelming maintenance orientation. One observer suggested that it was one of the most logical shifts in the city.¹⁶

In 1971, the Gibson administration had gained general agreement with the Director of Public Works, an older employee retained by Gibson to undercut potential objections by the mainly Italian workforce, to remove the three bureaus. The plan was presented to the council. A struggle over several months ensued because of the Mayor's insistence on 'retirement' of around 70 workers in the Parks and Grounds component. Following a management consultant report that 83 budgeted mainly blue collar category employees would reduce the unrealistically high 'personnel to park activities ratios', as well as withdraw city payments for what was private responsibilities, the Mayor's recommendation focused on older employees with low or negligible productivity.¹⁷ The labor unions protested and the council refused approval. Only after going through a court suit was the city able to 'retire' some of the workers, and gain council approval over the reorganization plan.¹⁸

The real impact of the change of shifting Parks and Recreation from Public Works was more psychological than real in functional terms, although its impact in budgetary terms was fairly dramatic. There was an immediate loss to public works of \$2 million of its budget and 178 workers, but the initial years saw functions nominally concentrated in task areas merely shifted under a new director. Within three years, however, budgeted personnel expansions had taken place with 100 additional employees and an approximate doubling of expenditures by 1974.

Newark, New Jersey: Parks and Recreation Department Expenditures

<u>Category:</u>	<u>1971</u>	<u>1973</u>	<u>1974</u>
Salaries	\$1,445,127	\$2,188,909	\$2,711,844
Service by Contract	197,253	289,635	289,659
Materials	65,138	70,525	104,650
Equipment	51,446	16,151	6,250
Miscellaneous	<u>40,000</u>	<u>-0-</u>	<u>100,000</u>
Total	\$1,798,964	\$2,565,220	\$3,212,403
Personnel (Number)	178	248	297

Source: Operating Budgets, Newark, New Jersey

In evaluating the choice of parks and recreation functions as a focus for creation of a new department in the city, two factors seem to have been important. One is the function itself, as one of some utility to black communities. Already fairly decentralized on a neighborhood basis geographically, a new recreation center had been opened during 1970 in the mainly black Central Ward in the city, making the activities even more visible and useful potentially to black neighborhoods.

Secondly, a large proportion of the workforce and staff could comprise minority jobs. Many staff jobs either did not come under stable civil service rules and many could be defined anew to be effectively tailored to local recruiting pools, or particular programs, Summer programs and jobs could be directed to expanded numbers of ghetto youth. The black emphasis on employment would be normally expected in the area in Newark further because of past patterns of use of recreation jobs for patronage under ethnic governments.¹⁹ A final factor was that the

high concentration of whites in black neighborhoods performing city services could be eliminated.²⁰ As a result, according to Newark Human Rights Commission data, nonwhite employment in Parks and Recreation activities increased from 20% to around 40% between 1970 and 1973.²¹

Creation of an Engineering Department in Newark was intended to consolidate a number of existing engineering type functions scattered in various divisions of Public Works as well as create a stronger focus on this function in the city. Other aims which were identified included initiating a genuine capital programming function and gaining information and control over city contracting, which the fragmentation pattern established under the Italian public works system had dispersed. A final aim was to move towards implementation of racial integration of public construction work in the city.²²

In 1970, no engineering function effectively existed in the city of Newark. While there was a city engineer in the office of the Director of Public Works, there was no staff and the engineer's position had been occupied by an elderly man who appeared to work only part time.²³ While the city did undertake major construction works both as part of the long range capital improvement program and as a part of current expenditures on rehabilitation improvements to existing buildings, contracting previously appeared to involve the Mayor's office extensively.²⁴ Many of the so-called engineering functions -- preparation of plans and specifications -- were scattered in several bureaus and divisions. In 1968, for example, the bureau of sewers, bureau of streets and sidewalks and the office of Director of Public Works all contained some personnel

associated with plan and specification preparation as well as contract monitoring. However, the bulk of these personnel were concentrated in 'draftsman' work categories and only two out of 18 persons were actually qualified engineers.²⁵ Further, all but one were concentrated in sewers and sidewalks.

The strategy of creation of the engineering department was largely incremental and posed, initially at least, very little challenge to the existing distribution of influence. The council, for example, was not concerned because no jobs were threatened. While the creation of a new department promised to create additional jobs, unlike other bureaucracies the engineering department was projected to remain small.²⁶ Similarly objections from Public Works were minimal. No large numbers of employment were threatened and, at least from Addonizio's time, few of the contracting functions were really controlled by Public Works anyway. While there was some delay during 1971 with approval, by 1973 the new Engineering Department had been approved, a chief hired and a partial budget allocated.

The impact of creation of the Engineering Department was small relative to both the Public Works budget as a whole and to those divisions most impacted (Streets and Sidewalks and Sewers). However, the real impact will lie more in the level of control over contracting in the city and over integration on construction sites and use of black contractors in future years.

Newark, New Jersey: Engineering Department Expenditures

Category:	1971	1973	1974
Salaries	288,189	586,090	684,355
Services by contract	-0-	322,820	263,667
Materials, supplies	-0-	1,550	175,855
Equipment	<u>-0-</u>	<u>-0-</u>	<u>350</u>
Total	288,189	910,460	1,124,197
Personnel (number)	35	42	72

Another impact visible both in creation of the Engineering Department and Parks and Recreation were the effects of automatic growth of expenditures following removal of functions to new areas. While council approval of these units may have assumed 'stabilized' levels of expenditures (little or no new spending), in fact in both cases it is not clear what funding levels will emerge in longer run terms.²⁷

In contrast to the relatively 'successful' new unit creation experiences of the Engineering and Parks and Recreation Departments, the efforts to institute radical changes in Health and Welfare through similar strategies largely failed. While the health area emerged as a 'strong' community issue during the late 1960's, most of the effort was concentrated on changing the city hospital, Martland. While this made the problem raised somewhat easier to resolve from the perspective of city responsibility, it left larger questions of community health over which there was some city control unaddressed. Other community issues over which the Health and Welfare Department had jurisdiction were also fairly easy to ignore; the city's responsibility for public assistance,

for example, except for a small general assistance program, was mainly on the level of tax contribution since the county was the direct administering unit. A final functional responsibility, environmental protection and health and food and housing inspections were easy to tradeoff as 'outside city control'.

2) Trial and Error at Internal Reorganization: Health and Welfare

In 1970, Health and Welfare was organized as one complex unit and a department of institutions comprised another unit responsible for operating two facilities, the city hospital and Ivy Haven nursing home. Health and Welfare was divided into three large divisions, health, welfare and inspections. Health was further divided into a bewildering array of fragmented components, ranging from direct services (parochial school services, operation of a city dispensary for the indigent, operation of baby health stations and specialized clinics and preventive disease programs) to vital statistics, and water, food and other environmental inspection and testing. Many of the functions played only lip service to some problems such as the consumer inspections, but were built in generally incrementally over the years mainly under state impetus.²⁸ The health agency, in fact, had become responsible for undertaking many state delegated functions for which the city was only partly reimbursed.²⁹ While some of the testing was contracted out to commercial testing laboratories, staff specialists were hired nominally to perform many.³⁰ Welfare was a much simpler operation, mainly administering the city's home relief and emergency relief programs; the bulk of public assistance, i.e. Aid to Families

with Dependent Children (AFDC), was administered through the Essex County Welfare department. Finally, the division of inspections was actually Newark's building Department, responsible for housing code enforcement and building permits. This was primarily a public works operation, staffed with personnel recruited in the main from building construction trades, but also comprised small operations in environmental sanitation inspections, air quality control, and consumer protection areas.³¹ The institutions department, while nominally under the Health and Welfare Director, in fact, was largely autonomous and responsible only for administering the two institutions, the city hospital and the nursing home.

Both institutions in the health area had come under heavy attack by the Newark community, citizen advocates, medical professionals and finally the state on grounds of obsolete facilities and practices.³² Beginning in 1970, the state continued to pressure the city to close the nursing home, located in a structurally deficient facility, and for which it was estimated at least \$200,000 would be required to repair.³³ Gibson elected as an early priority to close the nursing home completely and transfer the hospital to state control. In the case of the nursing home, the council immediately balked on the question of personnel. By 1970, the nursing home's staff had undergone a major expansion of staff shifted from the hospital and regarded as either unqualified or unnecessary.³⁴ At the same time, illogically, the council refused to vote the necessary appropriation for repairs to the nursing home. Finally, after a standoff approaching the ludicrous, the New Jersey Department of

Public Health closed the nursing home and transferred the patients elsewhere. Despite the state's firm position on the nursing home, there was less help over the hospital question. During 1970 and 1971, the Board of the New Jersey College of Medicine and Dentistry continued its ambivalence toward a takeover of the hospital. In addition, Gibson was forced to make several trips to Trenton to convince the state to complete the turnover and finally to get agreement to absorbing the hospital budget during the transfer transition period.³⁵

Other components of the Health and Welfare Department were subject to initial scrutiny and evaluation during 1970 and 1971. Several studies were undertaken as part of the in-house 'Management by Objectives' process and by consultants in health services areas. The MBO studies were aimed primarily at looking at the organizational structure and administrative issues, and promoting some rational re-design of the agency.³⁶ The basic plan provided for three sub-divisions to be created in a Department of Human Resources, re-oriented towards external service, consumer protection and environmental health. A basic core thrust was an increasing externalization of health services through expansion of neighborhood health clinics on a systematic citywide basis and the reduction of internal health service functions. The completed service network would comprise three existing units, and an additional five health centers and four reorganized baby and child care units. The city dispensary -- caring mainly on a 'walk-in' basis for the indigent -- would be phased out, as would 'floating' service personnel staffed in central offices.³⁷

The plans for reorganization of the Health Department were stopped before they got off the ground. A number of problems emerged early. One was the stability in the director of the overall Health and Welfare function. Another was an unanticipated problem with the position of Director of Health. A third problem was the institutional structure in health, which proved considerably more resistant than that of say Public Works.

The strategy of reorganization in Health and Welfare rested squarely on the shoulders of a director, but the position proved very difficult to fill. After a considerable lag time in search, a black director was found with a health administrative background and a commitment to innovation, particularly in the services area. He lasted, however, only about a year before receiving a superior employment offer in the District of Columbia.³⁸ Two additional directors followed in rapid succession and, in each case, the basic reorganization strategy implementation was postponed. Meanwhile, the problem of a director for the health division grew to crisis proportions. In 1971, the prior health director, an elderly doctor, had been absent from the city for more than two years. He had suffered a stroke and appeared to be indefinitely incapacitated in assuming his former role. The city proceeded to search for a new director. The old director (apparently at the time only in an 'acting' status -- that is, not in the civil service position of the title) decided to challenge the city in court over his 'rights' to the job, thus preventing the hiring of a real director. After two years, the case was still undecided and no major changes were made in

the department organization.³⁹ One of the key outcomes of the absence of a director was reinforcement of fragmentation in the area, which inhibited development of a coherent program. One observer, who spent a year working intensively with the health department developing a budget, suggested that the problem of the agency was directly attributable to the absence of a director. While there was no one around for two years, each of the 17 different divisions got accustomed to operating on their own.⁴⁰ At the same time, the structure itself is difficult to manage.

Part of the problem of course stems from health itself. Health is run by doctors and it is one of the most fragmented and notoriously ill managed operations in the city. Much of health's trouble and its failure in an operational sense in Newark's problem stems from health in general...but doctors are hard to manage. They have no idea how to organize health functions, but won't take directions. They are very insensitive to planning.⁴¹

The combination of absence of an overview, struggle with a key personnel issue and structural fragmentation largely left the reorganization plans for Health and Welfare stalled. Other components of the agency -- namely the home relief program and inspections -- also fared little better. In the case of welfare, as a small unit, changes proposed were limited primarily to improvements of the fiscal accounting system and a shift to increasing use of 'paraprofessional' workers for counseling work. Shifts in the inspections divisions foreseen were also relatively minor in structural terms, although a gradual emphasis on consumer issue areas was idealized in the reorganization plan.⁴²

Newark, New Jersey: Health Institutions and Health and Welfare

<u>Category:</u>	<u>1970</u>	<u>1973</u>	<u>1974</u>
City Hospital	7,400,000	--	--
Nursing Home			
Wages, salaries	930,875	--	167,188
Services by contract	72,510	--	--
Materials, supplies	150,148	--	--
Equipment	1,400	--	--
Total	1,154,933	--	167,188
Receipts	(730,800)		-0-
Employment	172		18

D. Police, Finance and Community Development Administration: Reorganization without Structural Change

In direct contrast to Public Works and parallel with the case of Health and Welfare, the police, finance, and Community Development Administration units in Newark were important priorities for changes of a wide variety. Functional reorganization, output shifts and personnel changes all figured high initially in the Gibson administration. Few changes, however, were implemented as swiftly as public works changes. Most changes which did occur were internalized, followed no specific logic or order and budgetary impact was slight. In each instance, further, both the nature of the operation and its particular constituents were important in inhibiting planned or deliberate changes.

Probably no single unit, with the possible exception of education, had come under such serious fire preceding Gibson's election as police and

probably none was so overdue for change.⁴³ Partly as a result of the Addonizio system which grew within, the traditional militaristic hierarchy had crumbled and a large part of the top echelon of officers were insulated from the bulk of the force. Moreover, the department had a singularly poor reputation for corruption, for brutality and indiscriminate harassment of citizens (particularly blacks), and for poor recruitment and hiring practices.⁴⁴ Gibson's strategy in handling the police situation involved focusing on redistributing the influence structure within the police system through the appointment of a director and a continuing general support of the office. A second strategy was effort in integration of minorities in police staffing.

One of Gibson's first actions was to name the police director. Before even being sworn in as mayor, Gibson announced that John Redden, an Irishman known as a tough, honest cop and a star witness against the Addonizio police system before the state commission on civil disorders, would take over the job and clean up the department. While an excellent choice from some points of view, the Redden appointment was disappointing to many, especially blacks who expected appointment of a black director. Basically, however, Gibson had little choice. As one Newarker suggested, no one out of town wanted the job and there were no blacks high enough in the echelon to command any authority; thus that left only the Irish department elite.⁴⁵

In Redden, Gibson had a man with excellent status and respect inside the police system, particularly for being fair and tough.⁴⁶ While Redden had no particular affinity with the black community and was

widely criticized for his refusal to support the civilian police review board, he proceeded to clean up the department, forcing out some 400 members of the force considered to be the worst of the Addonizio system.⁴⁷ He also restructured the chain of command internally to cope better with the problem of control over lower levels of the department and introduced a strong monitoring system internally over behavior.⁴⁸ While there was no particularly organized thrust on minority recruitment, Redden assisted in the city's efforts which did result in dramatic increases in minority staffing. Under Redden, minority members of the force increased from 145 blacks and one Puerto Rican under Addonizio in 1969 to 374 blacks and 23 Puerto Ricans in 1973.⁴⁹

In attacking the question of police reform, Gibson clearly depended on the operation of the internal power system to effect change rather than external thrusts. In 1971, a large LEAA grant to Newark was assigned to a tri-partite control structure comprising the police director Redden, a Community Development Administration planner and the city's corporation counsel.⁵⁰ A complex action plan for police department changes was investigated by CDA, but in a struggle which ensued, Redden managed to gain control over the grant and actions to disperse in a way more securely linked with internal reform. Gibson's support of Redden was in a large sense a display of the greater confidence he had in ability of 'insiders' to effect change than outside thrusts.⁵¹ In another way, Gibson's 'faith' in internal reform was weak in need for identifying single men, however. When Redden resigned for the fourth or fifth time, over the issue of control over his own men, Gibson

was forced to accept and name a black with little respect or force in internal department terms.⁵²

Changes in the Finance Department largely followed the pattern of police with the strong emphasis on identification of a single actor capable of asserting control over a key issue area in government. The absence of external issues, a smaller (though key) function and the general invisibility of finance, however, made the strategy somewhat more effective than in the case of police.

The administrator chosen elected to focus primarily on reorganization of the city's fiscal and accounting system and particularly to restructure tax policy in the city. He took a strong leadership role in designing a city tax package for submission to Trenton in 1971 and in arguing for implementation in Newark.⁵³ He was also a catalyst for reorganization of the city's obsolete fiscal, accounting and information system. While very little in policy or actions were strikingly innovative, by 1973 the city could claim capability for reasonable revenue forecasts, acceleration in tax and other revenue collection and was able to pay most of its bills on time.⁵⁴ Progress was also made towards establishment of a long-range borrowing plan, which realistically recognized the city's decaying infrastructure.⁵⁵

By contrast, the Community Development Administration was an organization which was not so much obsolete as incoherent and fragmented.

Attached to the Mayor's Office, CDA has grown up under the volatile Federal grant expansion program, and particularly Model Cities, during

the late 1960's. Fragmented into a disorganized and sprawling operation, grants had been added incrementally along functional, planning and operations lines. By 1971, the unit was characterized by multiple turfs, duplication and started to present budgetary problems. One problem was the basic uncertainty of continuation of categorical grants around which personnel and functions had developed. With each shift, new clients and commitments were also built. Another problem was fragmentation itself which prevented development of central leadership or control, and was starting to cause central treasury problems.⁵⁶ A final problem was that while federal grants represented a great deal of 'slack' for nonwhite employment in the city under the mayor's control, grant hiring brought major uncertainty over the future integration of employment in the civil service system at the termination of grant periods. A separate pay schedule and benefit system had also developed under federal rules which made many employees difficult to integrate and many of the job titles were nonexistent in the civil service system.⁵⁷

During his first two years, Gibson ignored most of the problems in CDA. Despite its organizational defects, CDA was an effective grant getter and employment generator. A forceful young civil rights lawyer was named as director and Gibson largely delegated authority initially to him. A shift in Gibson's assertion of central control, however, resulted in major conflicts between the director and executive, eventually leading to dismissal of the director. Thereafter, there was an increasing trend toward centralization of the agency in the mayor's office.⁵⁸ In

1973, yet another change took place with the retirement of the old CDA structure and its replacement with a new model, the Mayor's Policy and Development Office (MPDO) which largely restored the mayor's control over the federal grant program and anticipated the change in policy to non-categorical forms.⁵⁹

The basic changes in CDA's organization format, and the question of control (particularly over staffing, external contracting and chain of command) followed both mayoral interpretation of the benefits of the program and the weaving and often incoherent pattern of federal grants. While centralization was a big issue in CDA, unlike the case of Police and Finance, the issue was never well articulated. The shifting in the Federal grant system also made planning difficult. Model Cities, for example, was still CDA's major program in 1970, but by 1971, it had already been 'planned' for a phase out. In 1972, Newark was chosen -- in part because of considerable lobbying and courting of the Nixon Administration grantors by the city -- as one of eight 'Planned Variations' cities. This latter program was designed to expand Model Cities to a city-wide format and program, but by 1973, before Planned Variations was even underway, cities were told to anticipate yet another radically different program, Community Development Revenue Sharing (CDRS).⁶⁰

By 1974, there was considerably more centralization of authority under the mayor through an institutional format called the Mayor's Policy and Development Office (MPDO). MPDO replaced CDA and integrated city planning functions under a single office. The real realignment of the

dispersed CDA functions, however, was made less because of any real structural reorganization intent than the practical outcome of shifts and losses of the Federal grant programs in categorical areas.

E. Impacts of Structural and Reorganization Changes in Newark

Of the two types of change attempted by the Gibson administration, structural reorganization or establishment of new functions on one hand and internal realignment of functions in an existing structure, the former had the most important impact in allocating resources and achieving control by the new administration. In the case of Newark's two new departments, Parks and Recreation and Engineering, budgetary impacts were visible. The Public Works Department, an old, traditional and Italian-dominated unit, suffered losses while the new functions exhibited faster budgetary growth. The new units also performed entirely different functions with new emphases outside the Public Works system. The establishment of new agencies was facilitated by priorities placed by the administration on some of the areas under new unit control, as well as the timing of changes fairly early during the administration's life. Early timing assisted in channeling new resources available and possibly undercut some resistance, particularly by labor. Establishment of new units was probably also facilitated, however, by the fact that the losing agency, Public Works, was impacted very little by the change. By contrast, the failure to achieve major changes in attempts in Health and Welfare may be attributed to a combination of personnel resistance, absence of leadership, council hostility and the genuine fragmentation of functions. No single simple solution to the

case of Health, for example, was possible as in the case of Engineering and Parks and Recreation functions.

Internal reorganization attempts by the Gibson administration also had mixed results. A central strategy focused on identification of strong leadership capable and forceful in reorganizing personnel and tasks while at the same time capable of commanding respect of a large staff of subordinates. In the case of Police and Finance, the leadership strategy worked to a certain degree; once leadership was removed, however, the psychological effects were largely lost. The impact of internal reorganization is also less visible and has a less quantifiable impact. Because much of the psychological value of change is lost both in and outside government, administration commitment also waned.

Underlying all changes, however, were the extreme constraints of the political tradition of the Newark City Council, the behavior of labor groups in resisting change in city functions and even the external limitations on actions set by state and Federal governments. At best, the Gibson administration's strong commitments and best strategies were systematically limited and a source of conflict. The uncertainty of approval of changes frequently guided priority or choice over change to electing the 'path of least resistance'.

F. Changes in City Personnel and Personnel Policy

Two levels of change efforts and outcomes are important in the personnel area of the Gibson Administration: one was in the area of appointments

at the administrative and managerial level and a second was in general personnel policy in the city. In the case of appointments, while there was a general recognition of the importance of managerial and administrative staff in effectuating changes in resource allocation as well as other areas affecting how the city's institutional resources were utilized, there was no systematic plan or strategy in the area and in general the administration suffered from this failure. The fact that leadership became very critical to change in some areas such as the Police Department served to confirm the errors of judgement in other areas where appointments were not taken very seriously very early in the administration's life. In the case of more general personnel policy, there was a stronger action commitment, particularly in integration of nonwhite personnel in the city; at the same time, however, institutional and legal constraints were even greater than in the appointments area and the absence of an early strategy formulation or plan undercut the advantage and possible momentum of expectations of major personnel change.

1) Appointments on the Managerial Level

Under Newark's City Charter, the mayor has authority to appoint with advice and consent of the city council, heads of the major divisions of city government.⁶¹ In addition, appointive authority extends to governing boards of two other major city organizations, the Newark Board of Education and the Board of Commissioners of the Newark Housing Authority, and to a dozen or more regulatory and special purpose boards.⁶² Appointive power is fairly strong in municipal areas despite

the necessity of council approval, primarily because of two-thirds council vote requirement for disapproval of appointments, or veto of a mayoral removal.⁶³ The council's primary weapon in the appointments process is 'delay' on approval of appointments, an action which was exercised liberally under the early years of the Gibson administration. Beyond the top appointments, however, mayoral authority can and normally does extend below the 'Department' or top organizational level to the division level immediately below, at least informally. Divisions of Budget, Personnel, Purchasing, Treasury and Tax collection in the 'line' administration are normally mayoral appointment areas in Newark.⁶⁴

Gibson's policy in appointments to top administration level and to lower managerial levels reserved by tradition to mayoral control (i.e. the division level) was one of the weakest in 1970, and reflected, according to observers, the mayor's personal position on structuring government as much as any real constraints.⁶⁵ Constraints of the council and existing personnel held over from the prior administration did play a role at a later time, however.

Exercising of mayoral option for appointments by Gibson was guarded. One appointment was identified prior to Gibson's inauguration as mayor, that of John Redden for Police Director, but the remainder were left to the first year of the administration's life, posing immediate problems in recruitment for outside. A second major problem in the more incremental approach taken by Gibson was that many appointments were immediately bogged down in the council approval process. With each taken

separately, the council tended to scrutinize each case on its individual merit; no overview or 'tradeoff' was possible, as would have been possible with a 'package'.⁶⁶

Of 27 top level appointments during the initial two years of the Administration's life, 13 were filled with persons already working in the system and 14 recruited from outside. In terms of department heads, Police and Fire were filled with high level senior officers, one was Redden, mentioned previously, generally regarded as a sound choice, given the difficulty of the Police organization, and one, Caulfield in the Fire Department, a political opponent. In Caulfield's case, however, this Irish American was generally highly regarded both in and out of government and largely unaffected by the Italian system.⁶⁷ Public Works was filled with an older Italian American formerly employed in the administrative level of Public Works as the chief clerk. While this employee was not regarded as the 'old' system, the fact that he was internally recruited created the impression that the Italians were still in control.⁶⁸ In the case of the remaining departments, Health and Welfare, Law, Finance, Business Administration, and CDA, as well as the two new departments, Parks and Recreation and Engineering, positions were largely filled from outside the city system, either through open recruitment entirely outside the city or in the city but external to the city employment and operations system.⁶⁹

In the appointments area, many of Gibson's initial actions appeared to reflect a philosophy of delegation of authority which initially at least strongly underlay the mayor's attitude about operations in

Source of Recruitment for Appointive Positions:
Newark, New Jersey: 1970-1973

<u>Division</u>	<u>Source of Recruitment</u>		<u>Race*</u>	
	<u>City Government</u>	<u>Outside</u>	<u>White</u>	<u>Nonwhite</u>
Health and Welfare Director		1		1
Divisions (3)	2	1		2
Public Works Director	1		1	
Divisions (6)	4	2	5	1
Fire Director	1		1	
Police Director	1		1	
Law Director		1		1
Finance Director		1	1	
Divisions (3)	3		3	
Business Administration Director		1		1
Divisions (5)	1	4	3	2
Community Development Adm. Director		1		1
Parks, Recreation Director		1		1
Engineering Director		1	1	
Total	13	14	16	10

*By 1974, racial composition had shifted with nonwhites occupying positions of Police Director, Business Administrator and Budget Director.

government. In electing to preserve some of the power structure in Public Works, for example, through an Italian American appointment, Gibson personally displayed a considerable confidence in the division's ability to respond to administrative priorities. Gibson was much criticized, however, for the general assumption that responsiveness would happen, if the appointment choice was reasonable. One criticism, for example, was over integration in the Fire Department, which some observers felt lagged because of low pressures placed on the director, Caulfield.⁷⁰ An additional problem cited was the general problem of respect of a black mayor in a formerly white dominated system. While delegation of authority might work well where racial hostility did not divide or separate the mayor from his subordinates, in the case of Gibson less control may have been less realistic. Some observers felt that the mayor had almost no control where hostility to blacks was greatest and where the option for appointment authority had not been exercised.⁷¹

Chief constraints prohibiting exercise of mayoral power apart from the mayor's choice included council resistance of approvals, the general 'pool of' available qualified candidates and internal hostility to shifting values, both in racial and other terms. The council, as suggested, stalled heavily on approval of Gibson's appointments almost systematically during his initial two years. In the case of filling the police director's appointment, following the resignation of Redden, for example, the council held up approval through delays for over six months. Similar delays were exercised on the Health and Welfare

director, in Parks and Recreation and in Engineering.⁷² The primary logic behind delays appeared to be less genuine hostility over the choice (even in the case of nonwhites, except for police director) than over 'bargaining' for a share of city spoils.⁷³

The Gibson administration had a difficult problem in recruiting qualified personnel for administrative positions; this was made even more difficult by the need and pressure to search for nonwhites. The reputation and image of the city was very bad, salaries were low and many potentially interested were discouraged by the magnitude of problems perceived to exist in most operations. Thus, while on the one hand a sprinkling of bright young professionals were attracted to the city, the great majority approached were disinterested.⁷⁴ In the case of blacks, the situation was worse. Not only was the pool of potentials smaller, but as public and private institutions rushed to initiate affirmative action plans, competition was fierce over those qualified in experience or educational background. Even those committed enough to come to Newark were often subject to competitive offers almost immediately after assuming positions, creating a high turnover both on the managerial and higher administrative levels.⁷⁵ The council also played a major negative role in its relentless refusal to approve higher pay scales more competitive with the region and other parts of government.

Internal staff also proved obstructive to the full utilization of the appointive authority of the Mayor. Much resistance may have been racially motivated, as white staff perceived loss of status in working

for a 'black boss' in addition to a black mayor. However, white appointments by Gibson were also reportedly reluctant to recognize the executive authority or policy on increasing blacks in managerial positions.⁷⁶ One example was the case of the business administrator who named whites to positions under his control without consultation with the mayor, while overlooking more qualified nonwhites.⁷⁷

G. Personnel Policy and Personnel Changes

In more general personnel policy, the Gibson administration faced major problems with resource allocation. The constraints were similar to those of other cities in some senses, and more exaggerated in others. New Jersey's civil service system and local 'lock-in' of the job structure was not unlike more general constraint problems faced by all mayors. On the other hand, Newark had not been a traditionally highly unionized city. Under the machine ethnic systems, many of the best features of the unions -- locking in jobs, for example -- were already incorporated into the machine structure. Further, the substantial overlap between political leadership in elected offices in the city and union leadership or their representatives in the region reduced the need for public unions. With Gibson, however, the informal arrangement fell apart and a very rapid unionization occurred on all levels of city government, and particularly where ethnic-group-dominated jobs were strong. The administration's personnel policy foresaw little of the problems. While strongly oriented towards increasing the numbers of nonwhites in government from the low levels of the Addonizio administra-

tion, other than recruitment, training and scrutinizing promotions, there was little in the way of planning for the existing staff. Rates of turnover and attrition were also grossly underestimated. While there was hostility and dissatisfaction after the changeover, there was no massive exodus of white workers from public employment in Newark. Faced with the problem of an incremental solution at best, a strategy developed to emphasize by passing of traditional employment systems use of federal grants for 'safety valves' for nonwhite pressures on public jobs and a variety of pressures for changes in the state civil system. By 1973, however, a great deal of the effort was undercut by the growing budget gap between revenue and expenditure. The combination of unionization and civil service threatened to undercut any strategy and even erode job gains already achieved.

1) Labor Questions

Total public job growth in the city in recent years has been modest. During the past five years, employment has remained very stable in traditional municipal areas, with only slight increases or around 8.0%. Most of the increases gained in municipal functions, however, were offset by losses in education employment. In all functions (excluding the hospital, which was turned over to state administration), less than 4% gains took place between 1967 and 1973.

By contrast, however, the growth in payroll expenditure for municipal functions increased over the period by nearly 40%. Thus, by most measures, productivity in existing workforces was far outstripped by wage gains by existing workers.

Newark, New Jersey: General Personnel Trends

<u>Category</u>	<u>1967</u>	<u>1973</u>	<u>% Change</u>
Common Municipal	5,884	6,351	7.93
Education	6,658	6,442	(03.25)
Hospitals	1,403	--	*
Newark Housing Authority	<u>877</u>	<u>1,150</u>	31.13
Total	14,822	13,944	
Total (excluding Hos- pitals)	13,419	13,944	0.04
Municipal Payroll	47,800,000	67,611,400	41.84

*Transferred to New Jersey College of Medicine and Dentistry.

Source: U.S. Census of Local Governments and Newark Budget Data.

Employment increases did take place outside traditional municipal expenditure areas, mainly in those expenditure areas supported by Federal and state grants. Approximately 250 additional workers were employed on Community Development Administration staff, and an additional 325 on Public Employment programs (employed in traditional municipal activities as 'supplemental staff') and around 300 on Newark Housing Authority payroll. Except for the Housing Authority which comprises permanent staff for operation of public housing and urban renewal, however, other federal and state supported staff were temporary employees and not included in the city's payroll.⁷⁸

Key explanations for the general growth in payroll relative to employment growth has been changes in civil service salary scales and more favorable collective bargaining agreements with the city. In the first case, while Newark still lags behind public sector salary scales of the region, growth has been impressive in most employment categories. Newark's scales also reflect the effects of the city's traditional shorter work week, which has been institutionalized quite firmly and which presents difficulties in pressures on wage scales. While city white collar workers, for example, work a 35 hour week, county and state workers, as well as workers in New York municipalities, work a 40 hour week. This is reflected in the lower municipal scales; from the employees perspective, however, the gains in wages are important and the city's competitive position in the region is reduced.⁷⁹ Pressures are constant on the city to increase salaries, either by raising the scales, or pressing individually or collectively for promotions.

Organized labor in public employment has a long history dating from the last century when fire fighters achieved initial bargaining rights on the state level.⁸⁰ Following this tradition, the uniformed services have strong, established power in the state legislature which directly and indirectly limits municipal bargaining authority.⁸¹ In the post war period, however, significant gains were made by all workers, including normally less active white collar clerical workers and professionals. In Newark, increased activity on all levels and among all categories of public labor seems directly related to the changes in local population composition and the growth of uncertainty in employment in the private sector.

Blue collar organized labor was an important factor in influencing growth of collective bargaining in city employment, particularly under the ethnic regimes. In pre-war times, blue collar work categories were established along craft lines in the state civil service codes. As in many parts of the northeast, job descriptions were literally written by craft unions to dominate functional categories.⁸² As a result, for example, the construction trades type categories have defined titles such that six different categories of 'laborer' exist, distinguished by functional area as in street repair, sanitation, building construction, building maintenance, etc. Each is largely not interchangeable with the other and each is subject to a different wage scale at collective bargaining time.

The growth both in unionization and collective bargaining in recent times in Newark -- as in the rest of the country -- has been strongest

in white collar and professional employment. In the professional areas, the growth of the Newark Teachers Union, mentioned earlier, was a prominent feature of the trend. Bolstered by the growth of organizing and strike successes in neighboring New York City, as well as technical assistance from the professional organizers of New York's United Teachers Federation, the Newark Teachers Union became a powerful bargaining force during the initial years of the Gibson administration.⁸³ While only about half of the teachers actually participated in the strike of 1970 and heavy fines were imposed on striking teachers, contract gains continued to be impressive.

White collar administrative employees are still the least organized of Newark workers. An increase in interest in unions has been noticeable, however, and according to some observers, most of the interest followed Gibson's election.⁸⁴ The bulk of clerical workers are white and fears of job loss are attributed to some union gains as much as desire for higher wages, benefits, etc.⁸⁵ The unions have been helpful in wage negotiations and in a series of court challenges to the city over expansion of the work week, civil service title questions, etc. While it is estimated that only around 25% of the clerical staff are actually union members,⁸⁶ all benefit from the increased activity. One observer suggested that the form of collective bargaining had helped considerably in the increase in union authority. Use of professional negotiators and the absence of participation of administrative staff in collective bargaining is reported to have strengthened the union position and weakened management.⁸⁷ The professional negotiator, who has little

information on operations, policy or productivity, can only argue in very general terms on the management side. As a result, for example, the city has acquired some rather bad contracts.⁸⁸

The Gibson Administration's impact is considered by many to have been a negative force in inducing labor organizing and actions aimed primarily at stabilizing the majority white workforce structure. Many of the workers in the city are older civil servants and many were hired under the ethnic regimes, following the ethnic political patronage system. Having lost ethnic leadership support, they have turned to the unions and civil service system to assure stability of jobs. Another problem which reinforces this general tendency is the proliferation of very low wage, undifferentiated work titles in many divisions. Many of the workers, particularly in white collar clerical work, have limited mobility out of city employment because of age, educational background, ability, etc. Seniority also brings some benefits, although the Newark tradition had created very limited benefits in white collar employment.

A second major problem which follows on the problem of race and mobility which has hurt the administration has been the traditional city employment policy structure. Newark's personnel system is extremely archaic and undeveloped in terms of contemporary public standards. In addition to the short work week mentioned earlier -- which seems to have its entire rationale in a 'false economy' or savings on salaries -- there is a proliferation of benefit rules governing different categories of workers. While there is general retirement, the city's niggardly past has promoted creation of special retirement funds for librarians, police,

firemen, and teachers. The remaining employees -- blue collar and white collar workers -- thus tend to remain on the job long past retirement age because of the small retirement benefits. This also creates important pressures on raising current wages, particularly in the blue collar work areas.⁸⁹

2) Personnel Policy Under Gibson

The personnel policy which evolved under the Gibson administration is best characterized as falling into two distinct parts. First, the question of racial integration of the city's workforce and secondly, the problem of increasing productivity in the existing workforce. Both issues were tackled intermittently and as a result generally suffered from inconsistent building towards permanent change.

In 1970, racial integration of the city's workforce was one, if not the single biggest issue. While no data is available on the total number of nonwhites employed at the time of Gibson's entry into city hall, the New Jersey Commission investigation of civil disorders published the previous year estimated that nonwhite employment was extremely low in all parts of city government.⁹⁰ A key policy issue developed around increasing the numbers of nonwhites, particularly in controversial areas such as police, education and public works. The strategy, however, focused primarily on recruitment and training for indirect entry into government jobs and immediately ran into trouble. On the one hand, recruitment and training were largely undermined by existing personnel as responsibilities for implementation were delegated downward. In the case of recruitment of police, for example,

traditional methods of local sign posting and advertisement of civil service examinations were used and no special outreach took place. Furthermore, some programs intended to accelerate the integration of nonwhites such as the police cadet program, a work-study, police pre-training program -- were actually filled with whites by white supervisory staff.⁹¹ As a result, there was low response to recruitment and increases in nonwhites probably lagged. Another problem with recruitment was orientation of the city's personnel department. Run primarily as an internal bookkeeping operation and traditionally concerned with existing record keeping on personnel, the principal staff were clerks oriented towards routine operations, unfamiliar with personnel recruitment, screening, training, etc.⁹² While a young black professional did take over the job as director, it was fully two years before any major changes were made in the orientation of the division. At that time, new staff, training and control over the city's pension program to the division took place.⁹³

In the absence of a reasonable personnel recruitment, much of Newark's nonwhite public employment growth took place as a result of other efforts, principally those of the city's Human Rights Division, individual departments and the Federal grant programs, principally public employment and grants under administration of the Community Development Administration (CDA). The Human Rights Division, headed by an aggressive black director, had a broad mandate, including more general problems of discrimination against nonwhites outside government in the city. Police brutality complaints, complaints about discrimination in the

private sector, housing, etc., were frequently funneled through this body. The division, however, lacked statutory authority to prosecute employment cases which handicapped followup on complaints. Nonetheless, the division did take on an increased role as an advocate for nonwhite workers on city staff, principally in the promotions area.⁹⁴ Another key role was in following state and Federal policy changes in affirmative action rules over public employment, in offering technical assistance to the state's weak fair employment practices enforcement apparatus and finally in undertaking Newark's public employment census which included a racial breakdown of city employees.⁹⁵

The federal grant programs served partly as a safety valve to relieve pressures of nonwhite employment demands in the city and partly as an indirect means for channeling nonwhites into city work more rapidly than through the civil service system. The Federal Public Employment Program (PEP) resulted in the hiring of around two-thirds of the total 350 mainly nonwhite participants.⁹⁶ In the case of CDA and some of the health programs (environmental health and health services), 70% to 80% of the employment increases went to nonwhites. Finally, in blue collar areas, apprenticeship programs and the city's federally financed demolition program added some 100 employees, mainly nonwhite, to municipal employment.⁹⁷

As a result primarily of the increases of Federal and state grants in the city and use of these grants to increase city employment, nonwhite employment has grown far faster than employment as a whole. According to Newark Human Rights Commission data, nonwhite employment increased

between 1971 and 1973 by 30% while overall city jobs declined by almost 2%. The proportion of nonwhites in total employment also increased from 28% to 35% over the two year period with the biggest proportional gains occurring in police, public works and environmental health areas.

H. Conclusions and Summary

Strategies for reallocation of city resources under the Gibson Administration's early years were centered on efforts at external generation of new resources, principally taxes and grants-in-aid, and an internally-oriented ad hoc series of reorganization and personnel measures. The first effort was necessary to provide the city with fiscal stability for operations but, in addition, was the only means at the administration's disposal to increase 'slack' for shifting directions of internal operations and increase nonwhite employment. The state political system proved as much a real barrier to stability as local political tradition and hostility to the new administration. Almost no assistance from regional and business elites or state political influentials based in Newark was forthcoming. This considerably handicapped the administration in the state capital. In the case of internal efforts, the general tradition of Newark, as well as hostility and resistance from the council and existing workers, reduced the effectiveness of 'planning' for systematic change. Initial plans for reorganization were abandoned or drastically modified to reduce the visibility and impact of change. High invisibility and good timing resulted in the most radical changes and those with the most allocation impact, creation of two new departments and the phasing out of two others. Structural changes, though more

radical in impact than internal functional shifts, restructuring of staffs and increases in nonwhite workers, were surprisingly easier to effectuate. This may be explained by 'higher expectations' for radical changes in some areas following the succession of a city to nonwhite government.

A major Gibson strategy involved depending heavily on key appointments through which authority would be delegated to institute a variety of changes. The appointment strategy was a weak one, however, in part because of the difficulty of identification of strong, aggressive and experienced administrative staff, particularly nonwhites, and in part because of frustrations of administrative staff to gain compliance from units. The failure of the mayor to intervene and monitor both appointed department heads' actions and employee problems also contributed to erosion of the general effectiveness of the strategy.

Employment expansion of nonwhites in city functions was handicapped by a variety of unanticipated difficulties. A major problem was the absence of a strong personnel function in the city capable of developing a systematic recruitment, screening, hiring and promotional effort. Pressures from nonwhites on Gibson's administration were also so slight that the Human Rights Commission was forced to take a major advocate role to keep the issue alive. Increases in nonwhite employment have been nonetheless fairly impressive in the city; the key strategy involved in these increases, however, has been strong efforts to capture Federal and state grants which assist in initial hiring, then channel nonwhites into municipal employment. Declines in the grants, however, risk slowing general trends.

Chapter 6: Impact of a Black Administration on the Budgetary Process

Along with structural and institutional changes, revenue effort and personnel policy, the annual budget cycle can be considered as a final mechanism for allocating resources. In Newark, the budgetary decision process which covers three months of intensive debate between central administration forces, spending units and the legislature, traditionally has been a weak instrument for determining outcomes. The pattern established over the years confirms much of political analysis of the budgetary process in government in the U.S.; only very marginal changes are affected during the process and most of the action lies outside the cycle.¹ In Newark the process was particularly weak for additional reasons, however, The long-standing autonomy of major units operating in government, coupled with a basic disinterest on the part of the executive and council, produced a weak central budget office. Under Gibson, the trend continued. Efforts at reallocation of the city's resources were concentrated in the three areas of revenue, structural change and personnel policy. The business administrator, left in control of a budget strategy, turned instead to promoting an ill-fated 'efficiency' program and a more general struggle with the mayor over executive authority. A strong public administration 'cutting' bias did come in to dominate budgeting; however, this policy was supported neither by the mayor, spending units, the council or, finally, the business administrator himself. In 1973 the process changed radically with an increased concern by the mayor over the budget in an election year.

Observations during the 1973 process which form the basis for this evaluation suggest that that budgetmaking during the cycle serves other purposes than those of direct resource allocation changes. The process can be used to generate information about city operations, programs and output for other decisions. It can review spending in the context of revenue generation, particularly by revenue producing units. Most importantly, in long run terms, the process can provide means for asserting control over decentralized actions of many types of a recurring nature. In a broad sense, the budgeting process presents one excellent opportunity since it is the one time in the year when central control and operating units are face to face in a discussion of a variety of issues.

The Gibson administration's experience during the 1973 budget cycle suggests there are two principal means for asserting short run changes in spending programs. The first might be termed the 'traditional' approach. This involves the use of the budget office as a central instrument of communication of policy, political views of the administration as well as the more general administrative control or discipline themes of the current budget year. There are two points in time where themes or strategies may be developed, at the start and at the finish of the proposed executive budget. To be effective for policy actions, or temporal changes, desired by the mayor, however, there must be considerable confidence in the budget officer and other parts of the central control apparatus. Few conflicts must exist in terms of priority actions and the executive must be willing to back the budget

office where other conflicts -- with spending units or the council -- arise.

A second means for assertion of the mayor's views or other key policy changes is through the use of a special task force, or an ad hoc working staff assigned directly to the mayor's staff for work exclusively during the budget cycle. The uses of such a task force can be of a wide range. In 1973 the group worked exclusively during the budget cycle on moving a few, selected issues, following development of an overall strategy of selection and mayoral approval. In general such a task force possesses certain advantages for change over the budget office. It can duplicate information collection, specific studies and analysis carried out by the budget office as a 'check' on the efficiency of that unit. It can undertake studies not undertaken by the budget office but specifically identified by policymakers in other areas. Because it works on a temporary basis out of the mayor's office, it is somewhat freer to reflect the mayor's bias and is somewhat more free from the traditional budget subculture, roles and expectations built up over time. Disadvantages are in the required resource expenditure for staff, the uncertainty of the usefulness of much analysis, the suspicion generated by other 'established' roles in the process, and, finally, in the absence of follow-up authority once the cycle is completed.

In 1973, an ad hoc budget force was put into operation for the first time during the Gibson administration. The reasons were ostensibly for a look at the budget during an 'election year'.² A larger role was

assumed, however, primarily through the efforts of the aide in charge in creating a much stronger balance between the traditional Newark election year budget cutting approach and a thesis of "spending in areas where spending is appropriate". This chapter reviews the influence of the Gibson administration in shifting spending to 'desired' areas, through use of the budgetary decision process itself.

The chapter is divided into four principal parts. The first describes the budget cycle in Newark as a mechanism for influencing spending outcomes. The cycle's overall structure, participants and roles and the distribution of authority visible in Newark's budgetary subculture are reviewed from observations and interviews taken during the 1973 cycle. The question of how much influence budgetary decisionmaking has on outcomes is examined from interviews with participants in the process.

A second part of the chapter looks more closely at the instruments available for executive influence, particularly in issue areas identified more generally outside the budget cycle. Two means for influence, that of the traditional budget system and the budget office and the ad hoc budget task force set up in 1973 provide contrasting experiences. A third part of the chapter reviews key events and typical strategies used by actors on several sides to gain desired outcomes in the process itself. Four types of role-strategies are viewed which are particularly appropriate for describing interaction of participants in Newark's decisionmaking process. Finally, the council role and outcomes in terms of successes and failures in preserving 'gains' made during preparation

of the executive budget provide a concluding summary.

A. The Budget Cycle in Newark: Overall Structure, Participants and Roles

Newark's budget cycle is a complex, interactive process, covering a period of four to five months, including a two to three month period of intensive budget analysis and preparation work.³ The cycle resembles that of other large cities in that it comprises a set of meeting-sessions designed to bargain, challenge and accommodate to reach common agreement and it is highly internalized in participant terms.⁴ This is reflected in the types of roles which emerge strongly and in the influence positions they assume which underscores the 'sub-culture'. The city's budget cycle is also highly traditionally patterned in structure; it strongly resembles the recommended 'model budgets' prescribed in public administration literature.⁵

Most of the theory behind budget cycle organization in Newark, in fact, reflects public administration standards rather than the state prescribed standards. In contrast to Newark's generally elaborate cycle, state standards are geared to smaller localities and assume a less extensive budgetary decision process within.⁶ The Newark overall structure comprises a calendar divided roughly into four parts corresponding to four stages in advancement towards the final document:

- 1) initial revenue estimates, including revenue forecasts and general instructions
- 2) request budget preparation, including department estimates and submissions, and compilation by the Budget Office of a 'request budget'
- 3) executive budget preparation
- 4) final or council approved budget, including council review and approvals, submission to and approval by the State Department of Community Affairs

On one level participants in budgetary decisionmaking in Newark generally fall into generalized 'roles' and expected behavior patterns described by analysts; in other ways, however, there are strong variations which appear to grow out of Newark's tradition and setting of government. In conventional terms, participants fall into the roles of 'cutters' and 'spenders', which reflect the formal positions occupied by spending and control units. But strong variations are visible in positions which are strong because of past 'strength' of the spending unit in the city's allocation pie, which supercedes other behavioral characteristics. Secondly, roles in Newark are also derived from lower institutional positions, particularly on the clerical level. Budget examiners and chief clerks of departments have considerable control over the preparation of detailed estimates of budgets and frequently these values dominate the decision process, reducing it to trivial levels. Finally, functional roles are important. The long tradition of autonomy in city operations has created budgetary roles which reflect the unit's values and ways of doing things more than any overall strategy for preserving a unit's budget.

1) Request Limits and the Calendar

The overall structure in Newark is set primarily by the limits on spending given to departments along with instructions for budget request preparations and the budget calendar which shapes the sequence of events in the process. Both play important roles in final outcomes of budgets in the city.

The limits placed on requests are set partly by the revenue forecast prepared by the financial officer in consultation with the chief executive officer and in part by the budget office. Around mid-summer, normally, revenue and tax forecasts are made, based on a combination of past revenue trends, anticipated new taxes and grants-in-aid and a 'test' of impacts of likely aggregate spending on the residual property tax.⁷ Since the property tax is highly visible and controversial in Newark, the problem of rate changes is reviewed carefully in consultation with the mayor. Tax increases are highly political decisions and the chief executive officer must agree to defending them. A second step in the limit determination process is handled by the budget office. The budget office calculates rough allocations of aggregate revenue based on statutory requirements' increases (such as contract wage settlements, pension and other contributions requirements), and potential inflation or deflation in non-personnel costs which serve as a 'base budget'. Normally, a simple formula is used for these base budgets which assumes 'holding the line' on spending.

In 1973, the role of the request limits was redefined slightly. During the prior two years, the Business Administrator had instituted a new modified performance analysis budget system for operating units called management by objectives (MBO). The budget office in turn evolved a way of incorporating MBO into the 1973 operating budget, first by requiring requesting units to submit data from MBO analysis to justify continued expenditure and secondly to justify future additions to budgets

which exceeded stated limits in the form of a 'new program request'. This process was intended first to 'force' reallocation and use of any 'slack' which might be present in budgets and secondly to give notions of the future budgetary impacts of requests. Along with the new program request, divisions were required to forecast five year impacts of the proposed programs.

The 'limits' allocated to spending divisions were generally adhered to in requests. The new program requests, or requests outside limits, however, did not follow the required format or provide adequate information to test the 'necessity' or usefulness of the program in city priority terms. Only a few, for example, took the trouble of forecasting five year impacts of increases on their budgets and many were so traditionally oriented that they merely added in traditional 'line item code' terms, on a separate page giving no indication of the functional necessity of the request.

The budget calendar in Newark can play an important influence role. The calendar normally set by the budget director can limit the amount of time spent on any part of the process and thus constrain debate, study and information flow to participants so critical to challenges to spending or cutting. During the Gibson administration's first term, the calendar had been gradually set to restrict the amount of time allocated to unit request preparation and council review to the gain of the budget office review and preparation of the request and executive budgets. This reflected the philosophy and strategy of the budget office to 'get more control' over the process. The strategy,

however, also resulted in cutting off the mayor's office from much time for review over budget office changes. By 1973 there was considerable grumbling among mayor's office aides that not enough time and information was provided for the mayor's review, putting the mayor in the position of 'rubber stamping' what the budget office (and its main ally, the Business Administrator) thought was 'right' for the city.⁸ As relations tended to sour between the Business Administrator and the mayor, the schedule as well as other actions of the budget office became more and more subject of suspicion.

The calendar sets the overall schedule for the cycle of meetings, analysis, submissions and decisions. Meetings have traditionally comprised two types: (1) informal, preliminary meetings between the budget office and departments, mainly to 'feel out' the importance of requests to the unit, detect weak areas or 'slack' and filter out the relationship between requests and actual operations; (2) budget hearings, also fairly informal but intended to represent a 'defense' by departments and final agreements over what cuts or increases should take place. In reality both of the forums considerably violated these intentions. In the case of the informal meetings, during the 1973 cycle, most of the meeting time was taken up by discussion of matters peripheral to budgetary, spending or operations matters. Spending units for example provided very little data on operations, strongly defended their requests and generally engaged in a 'diversionary' strategy of taking up discussions over personnel problems, budget amendments and cost overruns of the current budget year and the like. This generally forced

the budget director into the position of 'helping' to straighten out problems, or advocate spending unit positions against recalcitrant labor groups, rather than strongly addressing problems in operations or the content of budgetary requests. The second type of meeting, the budget hearing meeting, was also considerably stretched from its more ideal goals, although in 1973 at least, the stronger role of the mayor's office did result in more of a confrontation over budget requests. Traditionally, the budget hearings have been dominated by the chief clerks of spending units. These are lower level civil servants who are responsible for budget request preparation, for keeping personnel and supplies records and for generally communicating on an ongoing basis with managerial staff over requirements for operations and other budgetary matters. This pattern left administrators and managers with little familiarity with actual budgets and the request budgets of their own spending units. Thus, the budget hearings frequently boil down to a 'squaring off' between the better-informed budget and executive staff and the less informed department heads, on emotional rather than analytical levels, with the chief clerks shouldering responsibility for most justifications of the requests.⁹

2) The Budgetary Process: Roles, Participants and Interactions

The budgetary decision process in Newark, as in other large cities, consists of a fairly complex interaction between affected participants. Since nearly everyone is affected by outcomes, nearly all of the administrative and managerial staff do participate at one time or another during the cycle. In addition to the generalized participation by

stage in the cycle mentioned, activity is heavily concentrated in the preparation of the mayor's budget. This key document really involves an appraisal by the central control and policy staff -- the budget office, administrator, finance officer and the mayor's staff -- of what spending units 'want' as compared to what the city can afford and what the mayor wants. In 1973, it particularly focused more attention to what the mayor wanted, or some key policy issues dealing mainly with services. This latter direction had the tendency during 1973 to make the process somewhat more complicated than previously and resulted in challenging some of the strengths of traditional roles and asserting some new ones.

a) Newark's Budgetary Subculture: Participants and Roles

Analytical literature on the budgetary process suggests that specific subcultures develop in government around decisionmaking which are closely connected to the roles of affected participants.¹⁰ This subculture exists somewhat separately from other decisions in the city, has its own tradition and sets of expectations. The roles developed in the subculture are important to its operation. They are sets of expectations and behavior of participants which are partly defined by the institutional position of participants (i.e. locus in the hierarchy, legal authority, etc.) and partly by traditional activities in the budgetary decisionmaking process itself, such as 'cutting' or 'spending', or advocating certain kinds of stability or change. Budgetary literature reduces roles to several generalized characteristics. First, there are the 'cutters'. These are generally the administrative and

control units such as the budget office, the finance office, or the city manager or mayor. Secondly, there are the 'spenders', generally department heads who advocate if not increasing strength of budgets at least 'maintaining the status quo'. Within spending unit behavior, there are other types of roles, those advocating internal staff, or external clients. Finally, there are legislative roles. One contributing factor to the subculture's stability, highly predictable roles and behavior rules is the highly internalized character of municipal budgeting. Because there is little in the way of external pressures during the cycle and, further, because legislative roles and impact tend to be weak in cities, the internal process and subculture become stabilized.¹¹

Newark's subculture measured by standards and observations from the federal level and other cities is underdeveloped and not strongly visible. While there is a sub-structure of budgeting in the city, it is of relatively recent origin when the changeover in 1970 reconstituted some authority over the budget in the budget office and there was increased attention to fiscal policy. The lengthy prior years of fragmented, sum-of-the-parts budgeting when the budget office served mainly as a 'rubber stamp' on requests is still strongly felt in the city. Interaction with the budget office staff, information exchange and justifications for requests are strongly resented by many spending divisions. There is little understanding of the expectations of the budgetary process, there are few well developed strategies utilized by spending units and many managers behave as though they have no basic understanding of their own units, relative to requests. In some

units, department heads appear almost unaware of the budgetary process or of the process by which internal budgets are created. While some of this may flow from authority delegated to subordinates, most appears related to the long history of 'self-contained' operations, where little monitoring or control threatened spending levels. It may be years before a strong level of communications and a budgetary sub-culture develops at all.

Budgetary roles are thus defined to some extent in Newark as traditional literature suggests, in cutting and spending terms and by type of participants. On the other hand, budgetary roles are developed which appear to reflect 'individual personality' and whim to some degree.

The following summarizes four major categories of roles in the city:

<u>Budgetary Roles</u>	<u>Overall Characteristics</u>	<u>Behavior</u>
1) <u>Administrative-Control Bias</u>		
a) Business Administrator	cutting, control tax saving	oppose increases to human resources areas; pro-business; efficiency/performance bias
b) Budget Director		
c) Finance officer		
2) <u>Policy Political Rewards Bias</u>		
a) Mayor's Office Staff	spending; sanctions- rewards; control over excess revenue	increased spending for particular objectives
b) Planning Office Staff		
3) <u>Internal Client Oriented Bias</u>		
a) Public Works Department	stable budgets; spending increases	bureaucratic; defence of authority; autonomy; oriented to 'staff' needs
b) Police Department		
c) Fire Department		
d) Data Processing		

<u>Budgetary Roles</u>	<u>Overall Characteristics</u>	<u>Behavior</u>
4) <u>External Client Oriented Bias</u>		
a) Welfare Department	stable or increasing spending	'advocate of external clients'; community clients
b) Parks, Recreation Department		
c) Libraries		

b) The Administrative-Control Bias

The administrative control bias is reflected to some extent in a 'cutting' or efficiency emphasis in Newark. The role of the business administrator under Gibson was oriented strongly towards advocating benefits for the business interests in the city which were widely interpreted as general opposition to increases in human resources expenditures, trimming of excess expenditures and an emphasis on stabilizing tax rates.¹² Some of this influence was transferred to the budget office during the latter part of 1973 with the resignation of the business administrator. The budget director, however, reviewed his role as somewhat different from that of the Business Administrator. He felt that while he was the primary 'control force' in limiting budget expansion he was also a kind of balance between those needs which were 'genuine' on the departmental level and those which were 'slack' or habit, or both.¹³ He only weakly represented any policy or priority in the city, however, except for the MBO process guidelines. A good example of the 'mixed' philosophy of the budget office role was expressed in a comment which argued for across the board cutting during a meeting during 1973.

I think if you want to cut something, you ought to do it across the board. This is the fairest way. If you do it on an item by item basis, you risk not knowing what is real and what is unreal in spending. You may get a dangerous challenge first thing, then you'll really be in trouble.¹⁴

Several observers suggested that the efficiency-public administration bias in the budget and administration roles in Newark reflected more than anything else the racial distance between workers in those roles and the black mayor on one hand and the mayor's constituencies on the other hand. Suggesting that the bias of the public administration norm usually boils down to 'cutting back' on human resources and 'people-oriented' programs while leaving expenditures oriented towards central control and property protection such as police and fire intact, many mayor's aides reflected frustration in working with the business administrator and budget office personnel.¹⁵

In addition to the bias reflected in the distance between the orientation of a black administration and the public administration role, other criticism of the role centered around the 'tax cutting' philosophy to attract business (or stabilize business) in the city. One observer suggested that while tax and budget cuts are as important to black homeowners as to white business in the city, people have demanded and are willing to pay for neighborhood services. Following this reasoning, there is not necessarily a tax cutting overlap of interest between needs of black homeowners and needs of white businesses.¹⁶

In summarizing the real problems with the cutting role, one aide suggested that the real biases are very distant from the reality of Newark—and additionally handicapped both by the capacity and personality of particular individuals occupying key roles:

The major failure was with the business administrator. He doesn't know anything about budgeting...has no understanding of contemporary budgeting techniques,

of the budget as a planning and policy or management statement and plan. A second failure is on the value side. Neither the business administrator, nor the budget office has any idea of the type of constituency they have to serve in Newark. This is to suggest that the kind of traditional formula stress in budgeting used...simply isn't designed to be adapted to public service dependency rates which are say higher than the norm....The majority of services constituents are black and poor. This means that the garbage pickups have to be more frequent than in the suburbs like the Oranges, etc.¹⁷

Observations in Newark suggest that the efficiency or cutting bias may also hide some other failures and, in particular, the failure of those responsible for budgeting to perceive or care about abuses to departmental spending. While the budget officer argued that the 'across the board' cut would be lower risk than particularistic cutting, it could be argued that if the budget office was familiar with the departmental budgets, cutting could be made on a meaningful basis. Further, it was clearly within the control and responsibility of the budget office and administrator's office (and strongly instituted under the MBO process) to request the kind of information necessary to determine whether cuts would hurt services or not.

By 1973, however, it was clear that the efficiency bias in Newark had fairly marginal commitments on the part of the business administrator or the budget office. This was visible in the ill-fated MBO process, which initially had promised to bring genuine performance budgeting to the city. Not only did the commitment to it by the business administrator wane, but little or no effort was made to pressure spending units to follow through on monthly progress reports, or to include expanded data

in requests for the 1974 budget. The failure extended beyond MBO to other actions necessary to institute contemporary management techniques such as cost accounting in key operations, utilization of the extensive high speed computer information system available in the city and other monitoring and control. It was fairly clear that the real extent of interest in the public administration bias was limited to very traditional behavior of 'cutting taxes' to favor the business community and steering clear of assessing the real impact of spending in the city.

c) The City's Spenders

There are basically three types of spending roles in Newark: (1) a policy oriented spending role, (2) external 'client' oriented spenders and (3) internal bureaucratic staff-oriented spenders. The first case, that of the policy oriented spenders, is a diverse and often competitive group and includes the mayor's immediate staff, scattered 'policy' or program oriented planning staff, the traditional city planning department and the administrative heads of the city's Federal grant system, the Community Development Administration (CDA). All view themselves as the mayor's advocates, but they are often in conflict with each other and possibly stated executive policy. They are also in constant conflict with the city's administrative actors and see themselves as representing the true priorities and values of the administration.

Executive policies or priorities in Newark, as in most political administrations, are not easy to interpret. The mayor rarely makes policy statements and when he does they are often quite generalized. Further,

while Gibson has tended to follow a more programmatic direction, in part led by the Federal grant system where much new money in the city is generated, in many cases the interpretation in implementation terms such as the city budget are difficult.

A major handicap of policy oriented spending roles is the absence of information about the existing allocation of spending and city operations. Most of the participants are not concerned with advocating their own departments as much as advocating the mayor's position in planning expenditure for city operations. Thus, without detailed information about what is happening, it is difficult to interpret the mayor's views in the budget. Because of the failure of the policy oriented staff during prior years, in 1973, Gibson made a decision to set up a special study group, or ad hoc budgeting team to review the budget and report directly to the mayor during the process. The development of the policy role by the ad hoc staff is reviewed in detail below.

The third and fourth group of spender participants in the budgetary process fall into two groups: those oriented toward external clients -- particularly in the case of Newark poverty and community groups -- and those oriented toward their own bureaucracies and staff. The external client advocate role represents a role new to Newark and a strategy oriented toward what is considered the mayor's clients'. While Gibson has tended to stress services improvements questions in policy statements, rarely does the overlap between voter-oriented services such as 'clean streets' overlap with the non-voter clients

most of the advocate agencies such as welfare, parks and recreation and libraries basically serve. As one administrator cynically suggested, "his department really needed to get a more affluent and vocal and less transient clientele to back him up. Services to neighborhoods are nonetheless stressed. Services to poverty groups, drug addicts, juvenile delinquents and welfare recipients and even illiterate adults are frequently emphasized in justifying 'priority rankings' in the budget, or justification for budget requests.

Budgetary roles which emphasize the external clientele are almost always in direct conflict with the budget director and business administrator. The welfare director, for example, will argue that her budget must expand to reduce the legwork of welfare recipients being shuffled through the fragmented system for health care, family counseling, daycare or legal needs. Another request is justified on grounds that additional personnel hired are actually ex-recipients who will cost the city less in the long run than the professionals they will eventually replace. The director of the Newark Public Library, a facility considered 'tough' in the budget vernacular because it is both low in the priority list but would be controversial if cut, attempts to justify additional expenditure based on needs to shift the program to the 'slow-reading' adult, or Newark's large non-reading public, or to the neighborhoods, so 'people won't be so fearful to venture out to use the libraries after dark'.

In common with the spenders oriented towards 'external' service clients, the bureaucratic spenders emphasize clients of the internal system. While

in some cases these are legitimate -- the motors division of public works, for example, does largely service 'internal' clients, or the vehicles of the city -- in most cases the internal orientation reflects long traditions of work staff orientation, the pressures and strengths of unions and the absence of a well-defined external clientele, particularly a 'respectable' one. Examples cover the full range, from police to sanitation, but with the increase of nonwhite populations in the city the trend seems on the increase. Police services expansion, for example, are justified not on grounds of 'saving life and protecting property', but rather to improve morale, improve working conditions and the like. In sanitation and inspections or data processing, justifications for budget growth focused strongly on worker morale and 'competitive' working conditions or salary scales in the region. In some cases -- for example in the streets bureau of public works -- the need for new and more 'comfortable' vehicles was justified on grounds that the workers were tired of riding in open trucks, got wet when it rained, and risked getting hurt if equipment and materials transported simultaneously to worksites should happen to fall on them.

Within spending divisions of Newark's government, there are, in addition, other budgetary roles which have grown up with the autonomous budgeting tradition. Chief among these are the internal budget makers, or chief clerks. The chief clerk of a spending unit is responsible for preparing the annual request budget for the spending division and for updating it throughout the year between cycles. Often additional responsibilities include: maintaining personnel records, handling divi-

sion materials and supplies purchases (in the absence of a centralized purchasing function in the city), and serving as a general administrative assistant to the director or manager. In many divisions, the chief clerk may, through virtue of a veritable monopoly on administrative information, or through disinterest on the part of the administrator, literally gain complete administrative control over the spending division. Newer black administrators who have come into the city have found themselves literally unable to plan coherently or by-pass older chief clerks entrenched in their positions and basically hostile to their new bosses.¹⁸ The chief clerks, with very few exceptions are drawn almost exclusively from older civil servants promoted through the ranks. The salaries are very low relative to responsibility and the requirements and training are thus minimal.

Practically without exception, participants queried as to "who was most influential in the budgetary process" named the chief clerk.¹⁹ The influence, however, as one observer pointed out, is a very special influence role of the 'lower level civil servant'.

The department clerks make up the budget and the responsibility falls to them to justify and execute budgets once they are adopted. Secondly, it is what the clerks want that they will request and their range of requests are of requests are those least questioned such as typewriters, pencils, etc. What the manager gets is uncertain but the clerks do get what they want. In a sense, they have considerable power and influence.³

In Newark thus, the lower civil servant is perceived to be influential and convert much of the budgeting philosophy or strategy into trivial problems and solutions. The fact that clerks are permitted to dominate

unit budgetmaking, however, suggests that the autonomous system is still strongly supported by their superiors.

Although budgetary roles are not well-developed in Newark, the manager and administrative staff nonetheless do have standard expectations. Most, for example, expect immense stability in their budgets and a few cannot begin to even conceptualize a 'cut'. In the case of the police, for example, there is a strong expectation that the request will be left intact, no matter how wild, if for no other reason than that the police have always gotten what they asked for. There is consequently a total reluctance during meetings to bargain or discuss many items in the budget with clerks doggedly insisting nothing could possibly be left out. The strategy in justifying numerous items that just seem to arbitrarily 'grow' is based on two reasons. First, the budget is sacrosanct -- that is, no one but the police or fire or sanitation is really able to judge department needs -- and secondly, the 'spread the problem' philosophy. In the first case, the director of the unit may have little information on what is actually requested, but defend it nonetheless:

Budget Director: The police budget is 750,000 over the limit which makes the total request two million over with the new program proposed; the new program, however, provides for 150 new patrolmen of which 92 are to be paid out of Federal funds. What do we do if the LEAA funds don't materialize?

Police Director: Well, now look, it's really a moot point to challenge this; the guys have to be paid. There is no firm Federal money until we get a letter. Therefore we have to budget it in the city operating budget.

In the second case, administrators will rely heavily on the external

pressures to defend budget requests, depicting the agency as a 'victim' of almost anything -- state or city statutes, contract settlements, inflation, etc., even when other requests and actions are in direct conflict with the justifications.

Mayor's Aide: What about this airconditioning item for the West and East precincts? Do we really need these?

Police Director: Well, this is a long story, Last year where the horses were stabled in the North precinct, we put in air conditioning. It was really unbearable, really smelly if the windows were open during the summer. We knew at the time it was a precedent. Well now, the three other districts have followed in wanting them.

'Expecting the worse' is another strategy widely used by departments to justify demands. The threat of civil unrest in the case of the Human Rights Commission, a big snow blizzard in the case of sanitation, or a total breakdown in the electric power system in the city to justify purchase of an 'emergency generator' by Civil Defense all represent disaster justifications.

Whatever strategy used, however, the general overall aim of the Newark administrator or manager -- often working in concert with chief clerks -- is to reduce the effectiveness of the monitoring and report-in system and to retain the autonomous budget. Each operation thus must be justified as unique and of unique concern, even if only to its workers. Even when there are obvious direct conflicts as in one case where both the Police Department and the Purchasing Department budgeted the same postage costs for mailing of traffic warrants, there is an attempt to preserve or fight out rights to get the money, even if the responsibility is removed.

This problem is not helped by the general administrative practices in the city. Since there is little performance budgeting or cost accounting which would identify overlaps, duplication or changes in output from year to year, the old system is preserved very well. About the only way to detect errors, for example, is by checking detailed accounts on an item by item basis against actual expenditures (from vouchers or payroll records), then adopting a harsh rule. This strategy does work, but until 1973 was rarely applied.

d) The Mayor's Ad Hoc Team Role

The ad hoc budgeting team initiated during the 1974 budget cycle was the Gibson's administration's first attempt at strongly influencing the city budget cycle.²⁰ The two preceding budget years left most of the translation of priorities to the business administrator and the budget director while the mayor's efforts were concentrated on revenue and Federal grants, themselves increasingly an allocation problem with shifts to the 'block' grant forms. A gradual change did develop, however, and in 1974, an election year, Gibson took renewed interest in establishing control over city activities and was persuaded to start with the budget. There was a final reason for focusing on the city budget, however. Relations between the business administrator and the mayor had deteriorated, the business administrator's attempt at initiating some kind of managerial control had largely failed and a good opportunity for reestablishing control seemed possible. It was in this general morass of failures and pressures of an election year that the ad hoc process was instituted.²¹

The ad hoc role was largely defined by a mayoral aide assigned to the task of assembling a team to review the budget for the mayor. Hired the previous year by the business administrator as an assistant, the aide, Howard Gary, had a solid background in budgeting. He had graduated from University of Michigan's School of Public Administration and had worked both in Detroit suburbs and in Dade County, Florida. In the latter case, he had been responsible for assisting in setting up one of the few operating performance budgeting systems in the country.²² Gary's strategy, once he was assigned to the mayor's office and a review strategy, was to set up a separate small staff -- borrowed from other divisions, but knowledgeable about the budgetary process in the city -- compile a mass of detailed information and to review each request in detail, line by line. Next, groups of priorities were to be identified emphasizing the service and management side, and, finally, the big question of 'slack' was to be answered by first identifying it and then searching for methods to achieve reallocation. One important test of the mayor's role was the information generating capacity the ad hoc team was able to assert. One factor was clear initially, the mayor's name did have some clout; materials were made available on short notice, including payroll and invoice accounts, internal department and division records, records on inventories, contracts and Federal grant allocations. Another important test was in dealing with the spending divisions. A direct and rapid relationship was established which avoided the constraints of the established relationships between the budget office and spending departments.

Both advantages and disadvantages were visible at the start in using a task force essentially organized on a temporary basis outside the traditional budgetary process. The advantages include the general effects of the unexpected and of a new undefined role which among other things appeared to have authority, but which had little vested interest in establishing and cultivating ongoing relationships for the future. The disadvantages include the general hostility generated, particularly by the budget office which saw its role 'usurped' and saw the task force as interfering with routine patterns. A second problem was that of the impermanence of the task force. It was neither permanently attached to the mayor's staff, nor to the budget office. The mayor's staff historically had avoided confrontation with the budget office and restricted inputs to a quick review of the budget prior to the mayor's 'rubber stamp' approval. The budget office saw the task force as potentially 'monitoring' its activities as well as that of the spending departments.

As a general approach, the task force head, however, was strong on the necessity to aggressively promote the mayor's control role, a role interpreted as generally absent in administrative quarters in the city:

There are a lot of people around here who give lip service to the mayor's policies, then turn around and frankly do the same old thing they have always done. Some of the people who are supposed to be working for the mayor, or the city, who are supposed to be implementing goals, do everything they can to stop them. Part of the problem is race. Many of these people resent having a boss who is black, or one they feel is giving too much to blacks. In one instance, a top official rejected a program even though it cost the city nothing, because it would go to black youth. This is being completely out of

touch. There is a great deal of insensitivity to the real needs of the black community for basic service improvements like trash collection....²³

Translated into more specific implementation terms, the process involved several steps. First, there was a general review of past budgets and trends and new requests were related to these. Secondly, an attempt was made to identify 'slack' through a detailed sifting of unspent items, questionable, or unjustified requests and the like. Thirdly, an attempt was made to identify and focus on priorities.

During the first and second steps in the process, review of line item requests and prior budgets resulted in considerable 'potential' retrieval of slack for bargaining purposes, if not for actual reallocation. Possibly because the process was more intensive and did not involve the departments as is normal practice when budget examiners review requests, longer lists of potential slack were generated by the task force than by the budget office, reviewing the same budgets. Since the starting level of 'slack' does in many cases determine the amount retrieved in the end, starting at higher levels did make more sense. Another important strategy in the case of slack was retrieval of 'attrition' of personnel. In the highly institutionalized system of Newark, most civil servants 'expect' to get promoted as vacancies occur. By removing vacant positions, however, promotions can be delayed, if not halted when older civil servants are in fact not qualified for promotion, or have not passed civil service tests. Under Gibson, the budget office tended to essentially ignore these patterns, bowing to pressures which were in violation of civil service rules, but

which resulted in stabilizing of lower level employment. The task force played a key role in identifying and dampening this trend.

In handling the problem of identification of ways in which to incorporate policy priorities in the budget, the task force had a difficult job. Under the MBO process, instructions had gone out to the departments and divisions that additional requests were required to be put not only in programmatic form, but had as well to address goals identified by the mayor, derived from the MBO divisional goals. Few spending divisions bothered to put requests in this form, leaving the task force to define the goals in terms of the overall budget, then look for ways to implement them in request budgets. It was a frustrating process. As Gary suggested, much of the managerial staff had no idea how to go about formulating their requests in policy terms; one favored agency identified as a priority area even requested a reduction in the budget. Moreover, addressing some priorities in several environmental maintenance areas (vacant lot cleaning, sanitation and inspections), had become recalcitrant following neighborhood demonstrations against the declining services in neighborhoods. The dilemma posed was how to beef up the budgets of such units while at the same time avoiding the appearance of rewarding 'poor' behavior. An additional problem was how to attack the long needed 'administrative' reform priorities, particularly the restoration of executive control over spending abuses such as that visible in the vehicle budgets of spending units.

The strategy development phase was handled primarily by a rough check list divided between the service and reform priorities, generally

correlated to units mainly affected. Thus sanitation, youth programs and recreation and health services programs along with machinery and equipment, vehicles and 'priority departments' strongly suspected of high levels of discretionary spending (police, public works) were principal targets during the bargaining sessions between the units and central control forces.

B. Key Issues, Obstacles and Actions in the Budgetary Process

The budgetary process during 1973 can be viewed on two levels. One is the traditional level of 'budgeting by habit' underscored by a weak budget office as the lead agency and which is characterized by a great deal of energy spent on 'haggling' over what departments are doing in operations. In many cases, the meetings during the process reflected this in a very weak discipline over the agenda, and in more information exchange on department complaints than actual exploration of the budget requests and spending patterns. Another level introduced in 1973 which proved somewhat more effective as an instrument of central control was the approach of the ad hoc task force. By contrast, the second strategy focused after an initial analysis period, on pressuring for a few simple outcomes, either determined in advance, or discovered as vulnerable for change during the questioning session. Much of the focus was on key target areas of public works and police.

1) Traditional Budgeting

The budget by habit is a strong tradition in Newark and it is particularly reinforced during the budget process by a defensive attitude on the

question of 'preserving autonomy' of spending units. As suggested, many managers of spending units attempt to hold the line, even when they possess very little information on actual patterns of spending. The defense is based generally on the theory that the agency knows its operation best, that worker morale requires it, or that external factors make things uncertain and therefore it is needed. There is not a great deal of discretionary spending available to single units, but in the aggregate -- especially when units favored over the years such as the police are accounted for, discretionary amounts can be important.

The primary failure of the budgetary process to constitute a genuine planning process in Newark, however, rests with the weakness of the budget director. While the institutional role is weak (located under the business administrator), under Gibson the role was weakened considerably by the personalities who occupied the office and by the absence of any genuine strategies. As the lead in the budgetary process, the budget director assumed a 'semi-tough' role, while attempting to ferret out some knowledge of operation, alternating between the carrot and the stick approach. The staff, while well trained and alert, were poorly used. While the budget staff was assigned the role of emphasizing performance questions and efficiency and cost savings, in the budget sessions there was no logical place for this analysis and the budget director was only mildly supportive of the research.

The weakness of the tradition and the budget director's role carried

over to characterize the entire process, including the 'hard' bargaining sessions which were supposed to gain agreement over what to cut and what to save. In actual fact, however, most of the 'hardness' of the bargaining deteriorated immediately. As an example, the budget director in challenging the sanitation director suggested that he couldn't understand why there was only a marginal increase request. The Manager, an old traditionalist to Newark and strongly identified with the existing workforce in his division, played an excellent strategy of keeping the meddlers out by asking for very little. The budget director was left with almost nothing to bargain over. As the following indicates, a weak attempt at 'pressuring' for qualitative improvements in sanitation services largely failed since the budget came in too low to provide the budget director with ammunition:

Budget Director: I think that your goals really don't show anything. Let's take 'reduce absenteeism' -- this has no meaning. We need something which can measure effort.

Sanitation Manager: Listen, there are some things you can't measure, can't put in these terms. For example, in the bulk pickups, we can't really measure this. There is a survey going on now...

Budget Director: What about these districts for collection? Now I understand these haven't been changed since 1954. What about this? You are using old maps for everything. Doesn't it make sense if people have been moved by renewal the workforce ought to be reallocated?

Sanitation Manager: Well, we have these color coded systems to represent the sweeping, bulk, salting, everything.

Budget Director: Yes, but that's not the point. What happened to all that money that was spent last year for new maps?

Sanitation Manager: Well, I think that map money went for

reproducing the old maps for scheduling purposes. Now on this redistricting thing, we have a study underway. We have crew problems you know. So I am putting new men on the refuse collection so the more experienced men can be put on the bulk trucks...

As the questions raised with sanitation remained unanswered, the general established 'priority' fell. The task force did retrieve a commitment to an increase in bulk deliveries and an expansion of lot cleanups in the neighborhoods, but the serious question of the redistricting of existing workers largely faded. The case was not unique, however. Similar experiences characterized the meetings with other unit managers with similarly poor results.

A great weakness of the budget director is carried over to the handling of units who, by tradition, avoid making decisions unpopular with labor or where risks are high. In the traditional environment, the parochial decision environment requires that the manager become a 'buddy' with his workers and in the Italian system there is an aversion to assuming the distance managerial roles require. The budget director, however, also tended to assume a fairly unaggressive 'get along' attitude.

Budget Director: Do we need 54 people to clean City Hall?

Buildings Department Manager: We, we need four people for each of the four floors plus 24, then the rest are movers, night elevator operators, then if two people are out sick, we have to replace.... My personal advice is don't get tough during an election year.

Budget Director: What about this complicated shift stuff... 7-9 then 7-9. What is this, A.M. or P.M.?

Buildings Department Manager: Well, years ago the employees took a vote. The prior administration went along with it. Last year the issue was so hot that the business administrator backed down. They should be on a 7 hour day. Now they work 5 hours, get the work done in 3 or 4 and spend the rest

of the time downstairs in the locker room. They also get 60 cents more per hour than a laborer.

Budget Director: 22 highly influential people, huh?

The budget director has very little faith in the process to retrieve slack, and while considerable questioning and haggling along these lines does go on in meetings with spending units, very little is accomplished. In part this is because of the general bias accepted that nothing can really be done in Newark, given the traditional way of doing things. To some extent this is visible in an internal session between the mayor's task force aide and over general strategies and approaches being pushed by the task force:

Mayor's Aide: Now this machinery repair budget is really slack, isn't it: Public works or police or fire use it as discretionary.

Budget Director (to budget examiner): This is true, isn't it?

Budget Examiner: Yes, but it wouldn't make any difference. You could take away \$160,000 or the whole thing and they'd just put it back.

Budget Director: Yes by shuffling around the codes. Look, I suggest if you really want to cut, it is more politically feasible to get the mayor to use the austerity angle and cut a flat 5% across the board off everyone. Most of the items, let's fact it, are there for eyewash. There is nothing real in there. Now if we proceed to try to cut particular items, there is the risk that our initial choices will be genuine stuff; the mayor will get hit directly from the departments and the system will be permanently abandoned....If you want to discipline people, you have got to have a defensible position. If you are wrong on the first few items, you don't get a second chance.

2) The Ad Hoc Task Force Budgeting Strategy

Several key issues which dominated the 1973 hearings were brought forward mainly through the efforts of the ad hoc task force set up in the mayor's

1974 Newark Budget Requests: Miscellaneous Codes

<u>Division</u>	<u>Personnel Related¹</u>	<u>Service Contracts</u>	<u>Materials, Supplies</u>	<u>Equipment</u>	<u>Miscellaneous</u>	<u>Total</u>
Mayor	34,575	315,295	85,343	13,774	3,431,256	3,880,243
Clerk/Counc.	9,000	312,100	33,550	2,050	290,000	646,700
Administration	4,250	161,893	14,815	2,850	2,206,800	2,390,608
Law	0	111,000	8,800	5,000	0	124,800
Finance	70,341	502,920	112,390	10,592	0	696,243
Rec. Parks	357,002	308,659	104,650	34,250	0	804,561
Public Works	491,868	3,727,364	1,006,730	15,700	1,641,475	6,883,137
Police	1,427,230	476,100	842,900	472,900	0	3,219,130
Fire	629,200	135,595	447,942	64,885	0	1,277,622
Health, Welfare	3,000	273,197	169,860	14,900	2,727,176	3,188,133
Engineer	6,000	417,708	8,495	1,546	0	433,749
TOTAL	3,032,466	6,741,831	2,835,475	638,477	10,296,707	23,544,936

Source: City of Newark 1974 Budget.

¹Includes: part-time/seasonal help; overtime; change of rate; miscellaneous allowances.

office. The experience of reasonable successes in three areas suggest that the budgetary process can be used to enforce general discipline and carry out sanctions against spending departments, despite the formidable obstacles placed by traditional budgeting in the city and resistant participants. Three issues which are useful to examine as cases include decisions on the citywide vehicle budget, the sanitation budget and police.

1) The Vehicle Budget

The city's vehicle purchases were identified early by the mayor's budget staff as a 'likely' area for 'success' in gaining control over runaway unit purchases and reducing overall expenditure in the area. The vehicle problem had been approached early, however, during 1970 in a consultant report and later during 1973 in a state report on a proposed motor vehicle repair facility. Both reports suggest that the city unit was operating at a low capacity and blamed general disorder in the unit. The state report, however, went further to say that many of the unit's problems were genuinely outside its control.

The consultant report, one of the Gibson administration's first undertakings focused on the city garages and motors division.²⁴ At the time, the unit had two responsibilities: (1) operation of the city repair facilities and (2) control over the use of city-owned motor vehicles which at the time numbered 924. The vehicles themselves included a range of equipment from fire trucks and sanitation packers, motor brooms and sewer cleaning equipment to light equipment such as automobiles and light duty trucks. 116 persons were budgeted in the motors

division, of which less than half were assigned to repair work and as parking lot attendants. The remainder constituted clerical positions. The report found that compared to other cities operating similar types of shops, Newark's repairs were far less frequent, and 45% of the jobs exceeded maximum time allowances for typical repairs. One reason identified was the absence of a preventative maintenance program. Another was the large abuse practiced by the assigned user units. There was also absence of control over specifications causing extreme inventory problems with repair parts. Finally, in the case of automobiles, the report suggested that the three-year life assigned was highly unrealistic based on trade-in values obtained by the city and that a yearly trade-in would save considerably on repair costs.

The state report -- undertaken by the New Jersey Administrative Assistance Unit of the Department of Community Affairs in 1973 -- suggested further that while there were large problems in the unit and the facilities themselves were inefficient, a key problem lay with the external pressures on the budget.

All costs of repairing vehicles are now borne by Motors... This leads to a general feeling of lack of responsibility for vehicle damage on the part of user agencies. Another detrimental effect is that users press to have old vehicles repaired, charging Motor's budget, rather than take some other action which affect their own budget.

There are special demands made by police and fire department for emergency repairs. Sometimes these demands are unavoidable. However, they are not conducive to efficient utilization of manpower. In addition, there are special demands by high administration officials for special services... which throw work schedules out of order.²⁵

The report concluded by recommending that the police vehicles, which formed a large part of motor department's workload and budget, be removed and converted to a two-year leasing program.²⁶ A subsequent reaction by the police department, however, resulted in the police department's own report which was strongly opposed to the leasing scheme on 'cost grounds' and the uncertainty of implementation.²⁷

An additional reason for police opposition which was not mentioned in the police study but which was apparent in an interview with one officer was the control the police exercised over their own purchasing contracts.²⁸ As the officer suggested, the police units liked to control their own purchases of materials and equipment, since they could often get a better bargain on equipment than the city.

By the time of the budget decisions on vehicles, the controversy appeared to dissipate. The motors division repair budget was still out of control, however, and the impact on rising fuel costs, and other purchases promised to be serious. The ad hoc budget force thus adopted a strategy centered on removing all the vehicle purchases from discretionary control of the units. First, the budget was cleared of heavy equipment in categories of more than five years life; these were reconstituted into a new capital budget.²⁹ One hope was that the somewhat longer waiting time would discourage 'new purchases' and offer incentives to prolong life through preventive maintenance. A second step then involved the remainder of the vehicles. This involved several problems, including removing the vehicles from budgeted units and secondly finding some 'safe' place to assign and monitor the budget.

Centralization of the vehicle budget meant stripping away some \$500,000 in vehicles budgeted from 12 larger divisions in the city, representing a large portion or around 50% of the total annual vehicles purchased in the city.³⁰ The annual budget, however, was heavily weighted toward one powerful and privileged unit, the police department. Police alone absorbed 85% of the vehicle budget. In addition to the sticky problem of confronting individual departments, there was the problem of finding somewhere 'reasonable' to put the consolidated budget for monitoring and control purposes. While the logical place would have been the Central Purchase division, years of fragmentation and autonomous budgeting had reduced this unit to a paper processing unit, with little clear responsibility and a pattern of behavior distrusted by most officials in the city.³¹ After long deliberation, an agreement was made that the department of administration (headed by a now new business administrator) would take over the function.

Vehicle Budgets in Newark: 1973, 1974

<u>Department</u>	<u>1973</u>	<u>1974</u>
Mayor's agencies	3,500	0
Clerk/council	0	0
Administration	0	0
Law	0	5,000
Finance	0	0
Recreation/Parks	0	27,000
Public Works	55,000	9,000
Police	443,900	403,000
Fire	17,400	26,100
Health/Welfare	0	4,000
Engineering	0	0
Total	519,800	474,100

The next part of the strategy involved gaining the mayor's general approval for carrying the reform forward and undercutting any possible objections from units, particularly the police. Having been burned already by supporting the state proposed police car rental system which the police beat back, the mayor's task force strategist took an indirect approach, first convincing the mayor on cost grounds, then confronting the divisions with a fait accompli. The strategy worked. The departments were muted by the specter of a fuel crisis, potential problems with contracting purchases, etc. The unit most affected, the police, was forced to cave in on the loss of the purchasing privilege since political resources had been exhausted in the fight over the leasing scheme.

b) The Police Department Strategy

Newark's police department had a long tradition of privilege in the city's autonomous budgeting system, big budget growth and little interference or challenge from central authority. The pattern continued under Gibson, in part because the mayor played little role in the budget in general, but also because of the mayor's decision to delegate authority to its first director, John Redden, to 'clean out' the unit. In budgetary matters, a chief clerk with a strong and aggressive personality dominated. A middle-aged woman with over 20 years of work as chief clerk in the police department, the role was enhanced through cultivating of confidence of successive directors and strongly guarding the budget against encroachment by the budget office or other central authorities. As a result, there was more discretionary spending in the

police budget than in any other unit. One observer suggested that, further, much of the miscellaneous and non-personnel codes constituted a strong internal reward system of the units.³² In the case of police, \$3,220,000 was assigned to discretionary codes of one type or another out of around 21 million dollars total discretionary codes in the city budget.

The strategies for challenging the police budget mainly involved the miscellaneous codes and attacking some \$1.3 million budgeted for service contracts, materials and supplies and overtime. The problem of overtime was identified during the process as 'out of control' of the police administration and almost entirely under the control of the patrolmen:

Budget Director: There is a real need to reduce this overtime. What is the real reason for all this?

Clerk: We have already used \$597,000 worth of overtime this year and we still have one month before the end of the year. The problem of overtime is really the courts. All the cops have to appear in court. They changed the county court system and now they require that the guys hang around for appearances to speed up the court schedules.

Mayor's Aide: Well, I simply don't believe this. There is no control being exercised by you people. We did a check and found the court house parking lot on any given weekday filled with patrol cars. Why, there are more patrol cars there than on the city streets and none of the cops are in there. What exactly are the procedures on police getting 'permission for court appearances' from the department and why should this affect overtime?

Clerk: Well, they come in and sign slips each time for court appearances; they get paid for any part of the hour at a full overtime rate.

Mayor's Aide: Well, this is a real abuse area. I think we will simply have to restore some order here on this. This is really unfair to the city.

Police Director: Well, we tried to get the courts to pay part of this but they refused. They say that if the cops aren't on hand, they'll have more cases dismissed. There are some abuses, true. We have two more courts and the cops get paid for three hours even if the card is just punched. We are getting 500 cards per week. One man got two subpoenas last week for the same court appearance and we had to pay him for three hours for each.

The overtime request was cut, but most participants were cynical over the ability or interest in the police department in enforcing this. Both the mayor's aide and the budget office felt that until there were substantial reforms made in the police department system on the administrative level there would be no real chance for control.

On other items scrutinized in the police budget, the problem boiled down to a confrontation with the chief clerk. Insisting that everything requested represented necessities (including two dozen 35 mm Nikon Cameras which regularly disappeared from the police department supply room), she strongly defended the police department's right to determine its own needs and was even stronger in her defense of a 'surplus' as necessary in case. The surplus and abuse items were finally cut, however, when most of the items appeared to be genuine slack, or frankly incorrectly budgeted where Federal grant programs would cover costs.³³

c) Public Works Strategies

The public works budget strategy centered mainly on the two issues of personnel budgeting in sanitation (including an overbudgeting of personnel) and the vehicle question. A major problem encountered early during the process was that \$1.6 million had to be added to the city budget to

cover 'costs of joint sewerage district agreements' because the Council had failed to vote on a rate increase to cover the normally self-sufficient utility.³⁴

As with the police, sanitation costs in personnel categories were growing and a large part of growth was overtime. Since numbers of refuse pickups had been cut, overtime had increased, indicating that substantial abuses in the personnel monitoring system were taking place. 400,000 was paid in overtime in 1973; most of this went for refuse and the 1974 budget request came in at nearly \$100,000 more. At the same time, the numbers of men assigned to refuse pickup on the weekly pickups (down from 3 to 2 times per week) had increased.

The sanitation manager argued that there was no abuse in the system and that it was monitored closely. He admitted, however, that field supervision was possible only through spot checks and that supervisory personnel themselves were 'overbudgeted' on overtime. A study conducted by the mayor's office personnel further showed that because of the failure to redistrict the work crews, many of the crews assigned to low refuse districts finished early, then went to high refuse districts and 'worked overtime'.³⁵ The study confirmed the very high ratio of personnel to bulk collected and households served, and suggested that much of the problem was the large number of men 'doing nothing' on the job.

The sought for cuts in overtime in sanitation, in contrast to the police situation, were fairly successfully resisted by the manager. A series of manipulations, including the device of submitting a low budget (con-

cealing potential 'unbudgeted' costs for snow removal and overtime), were used by the manager to undercut demands for retrieving some overtime clask.

Public Works Director: This budget submission is really 'bare boned'; we followed directions; however, this is really unrealistic. We have an energy crisis. For the last three years we have had no increase in personnel. Now we are getting these state EPA controls. We definitely need a sanitation budget increase.

Sanitation Manager: We have budgeted \$50,000 in overtime for snow. Actually this is only startup money. As soon as the snow starts, I have to go to the council for 'emergency money'.

Budget Director: So snow is entirely structured on overtime? Trenton got burned by the cities not putting in snow overtime to keep the taxes low. Now you say the actual amount is \$500,000?

Sanitation Manager: Well, a few years ago we got burned. We didn't put it in to lower the tax rate but the snow came and the Council refused to vote on the emergency so now we put it in as overtime.

The real problem remained unsolved. With overtime linked to the 'snow emergency' situation, the overtime budget stayed for non-snow purposes. Another undercutting tendency, however, was the general problem of conflicts between mayor priority goals of increasing performance in the neighborhoods. A few weeks prior to the time of the hearing, a big contingent of irate citizens from the mainly middle classed black south ward participated in a demonstration on city hall steps over 'deteriorating' sanitation services in south ward neighborhoods. The result was enormous pressures on the administration just prior to an election to do something about refuse collection and litter in the neighborhoods. Despite considerable haggling, however, it was clear that the sanitation manager had little intention of making adjustments or change. A single

agreement was made for an effort at publicity in the neighborhoods for what the sanitation head suggested was 'education for the public'.³⁶

C. City Council Influence in Resource Allocation

Another indicator of success during the 1973 cycle was the achievement of more control over Council changes to the budget. Although Newark's city council as a statutorily weak body had exerted little influence on city budgets in the past, during the initial years of the Gibson administration the general hostility between council and mayor was felt in delays on budget approval and in numerous changes, primarily in the form of restoration of personnel cuts, to the proposed spending plan. By 1973, however, the council had retreated somewhat in budgetary matters, there were few changes and almost no council resistance to key budgetary actions.

The council role in the city's budgetary process had changed little over the years and reflected an obsession by council members -- particularly older ones -- with what the mayor may be getting for himself. The council's reaction has typically been based on using leverage of approvals to get a council share of whatever it is. There is little sensitivity by the body or individual members to overall concepts of fiscal planning or policy and, while there is talk of taxes, council behavior in this area has occasionally bordered on irresponsibility.

Some observers questioned during the 1973 cycle suggested that the council is largely disinterested in the city budget, spends little time on the review sessions and haggles mainly over 'rewards'.³⁷ One council-

man suggested that his fellow legislators seldom attended the internal briefings and had little knowledge about the budget.³⁸ A review of public hearings of prior years suggested that the council interest was limited to responding to visible issues raised during public hearings such as personnel layoffs.

1) Newark City Council Review of the Budget

The council review of the budget involves several weeks of examination of the executive budget by the council's professional staff, internal briefings with council members meeting as a unit, additional meetings where desired with city administrative officials and a final public meeting where the revised budget, incorporating any council changes, is presented for public review. The whole process can take over the allotted four weeks in the overall plan of the calendar, thus delaying the submission to the state for final approval before the budget becomes law.

The review of the budget is, according to observers, dominated by the council staff. The budget staff consists of four persons led by the council-appointed City Clerk who are chiefly concerned with the city budget review. Most observers evaluate the council staff competency as equal to that of the city's budget office, and, during the process, council staff does have access to city records for its detailed review. The review consists mainly of 'flagging' changes by the mayor in items which may be controversial, or otherwise of interest to the council, then presenting them with recommendations for action to council sessions.

The internal review sessions, which are closed to outsiders, according

to one councilman, are very poorly attended. This councilman suggested that council behavior was inexcusable, since there were few other responsibilities and the job was a part time job. Review sessions with the budget office and other city officials consists of a fairly tough grilling by the council staff, but again, poor attendance was shown by the councilmen themselves. As a result, most of the strong leadership in the review process is taken by the council staff and the City Clerk. It is the staff which flags controversial items, or those of special interest to the council and provides the council with whatever ammunition members may need to challenge items in the proposed budget. The most controversial issues which have emerged have been those involving personnel cutbacks. The council sees its duty in part as protecting the existing labor force, particularly where there are workers with 'political connections'. As with other issues as well, the council may use its leverage over budget approval as a weapon for attempts to extract bargains or deals out of the mayor.³⁹

The final step in the council review is public presentation of the budget with council changes at a public hearing session. The hearings are publically advertised but poorly attended. In Newark, there is almost no public awareness of the expense budget, even from the key leadership in the community. Observers believe that Newark's black leadership, for example, does not fully understand the budgetary process or the importance of the document itself in influencing how money gets spent in the city.⁴⁰

Highlights of the mayor's proposed budget are usually reported in the

local press, along with a statement by the mayor outlining priorities and programs. This appears to be a device designed more to 'undercut' Council changes, than a public advertisement of the budget. By the time the public hearings do come around, however, nearly a month has passed and the public interest, if any, has waned and the public is once again asleep. As a result, public hearings are attended mainly by a sprinkling of representatives from the local business lobby groups, public labor groups who have not managed to achieve changes behind closed doors and other government officials. Citizen attendance is almost unheard of.

Council behavior at the public hearings is very typical of the Newark council 'style' which has evolved over the years and seems to have grown in importance under Gibson. There are scattered speeches on subjects which may or may not be relevant to the budget. If there is a special side issue which the council or individual members are particularly strong on, there may be some typical public grandstanding. The really key issues in the budget, however, have already been settled in the closed sessions long before the budget is presented to the public.

During 1973, in contrast to the two prior years, there were few council changes to the executive budget. Two main reasons can be identified, since council composition and the disruptive racial divisions in the council had not changed. One was that proposed changes were largely well worked out in advance with agreements made with affected departments and labor cuts were fairly modest and scattered. In prior years, in contrast, Gibson had perhaps unwisely chosen to confront a hostile

council with some major personnel changes it was unable to accept. A second reason may be explained by the council's behavior itself. During election years the council has typically looked to the executive for leadership while members maintain a somewhat lower profile. Gibson also, in contrast to Addonizio, did not engage in typical election-year-type cutting such as in human resource areas or on the welfare budget. Gibson's main theme for his re-election was improvements of city services which could only be achieved by increasing expenditure in key service areas. This behavior served to leave the council without much of a case to argue; even the Italians would not have advocated cutting the welfare budget.

2) Impact of the 1973 Budget Process on Resource Allocation in Newark

Budgetary process changes in Newark, as most budgetary process literature suggests, are limited. The traditional format and subculture, with strongly identified roles and behavior, exert formidable constraints on change. The 1973 cycle in Newark also suggests, however, that the strong 'public administration' bias used frequently by budget officers also works to inhibit change. Because the 'public administration' bias emphasizes normative abstract conceptions of what budgets ought somehow to do, they fit poorly to the real constraints of political operations. Moreover, they inhibit addressing priorities of a political administration which are more often in 'spending' rather than saving. The dual precept of 'cutting back' and emphasis on performance criteria in Newark simply do not work. It is not particularly in the interest of the central administration to cut popular or vulnerable areas such as human resources spending. Moreover, given the very slight development of

Selected Budget Changes 1973: Newark, N.J.

Unit/Item	Changes During Budget Cycle:*		
	1) Request- Mayor	2) Mayor- Council	3) Net Add. Low Skilled Empl.
<u>Human Resources Categories:</u>			
Health:			
a) wages, salaries	135,400	None	15
Welfare			
a) wages, salaries	286,700	None	31
b) general assistance	(13,100)	None	
Inspections			
a) wages, salaries	(66,800)	162,300	11
Parks Division:			
a) wages, salaries	141,700	None	24
Maintenance			
a) wages, salaries	136,400	7,600	7
Programs			
a) wages, salaries	126,300	None	16
Net Changes	746,600	169,900	104
<u>Property, Safety, Environment:</u>			
Police			
a) overtime	(200,000)	None	0
b) services contracted	(44,700)	None	
c) materials	(83,700)	None	
d) equipment	(430,300)	None	
Fire			
a) equipment	(32,900)	None	0
Motors			
a) wages, salaries	162,600	None	0
Public Property			
a) wages, salaries	143,600	None	15
Sewers			
a) wages, salaries	40,100	155,700	13
Sanitation			
a) wages, salaries	(68,800)	None	28
Streets			
a) wages, salaries	18,800	None	0
Engineering			
a) wages, salaries	214,000	10,900	14
Net Changes	(100,400)	166,600	70

Source: 1974 Budget Data, Newark, New Jersey.

*Changes represent: a) changes between department requests and the proposed executive budget; b) executive and council approved budget; low skilled additional employment include lowest wage categories and entry levels in clerical and blue collar hourly wage categories.

administrative organization and capability in most of the units of government in Newark, it is nearly impossible to enforce performance planning in the short run. Thus, one success of 1973 was the introduction of what might be called a more realistic view of process and a fuller recognition of its limitations.

Two types of direct changes in spending were achieved during the 1973 cycle. Both appear attributable to the presence of a strong input into the cycle on the executive budget preparation side provided mainly by the ad hoc staff. One type of change was expansion in staff categories in human resources and to some extent in environmental protection areas of spending. Around 700,000 was provided primarily for hiring workers in lower level entry skills in health, welfare and recreation programs. Additional net gains in employment in the environmental (sanitation, sewers) lower skills categories were achieved with even more modest additions to the budget, through re-allocation of existing vacancies and 'slack'. Many of the additional workers were nonwhites integrated into city expense lines from various Federal manpower and training programs, thus avoiding projected 'layoffs' and at the same time providing for priorities on civil service system entry.⁴¹ In the case of the welfare department, for example, the impact may extend somewhat further; the gain in 'investigators' will permit continued conversion of prior 'professional' staff categories with higher education requirements to lower skills requirements where most of the city's unemployment is concentrated.

A second type of achievement made during the cycle, visible in changes

in other operating agencies, were more of a control nature. While immediate impacts were to retrieve some spending 'slack', the long run achievement may be in regaining central control through a strong re-statement of executive authority. This was particularly desired in police and fire where, over the years, nearly autonomous budgetmaking had developed with little input from the central administration and created wide distance between the services and the new black mayor. The initial attempts of the budget office generally were unsuccessful primarily because they emphasized the 'public administration' bias of agreements over small cuts which could be more easily avoided in larger budgets.⁴² Later efforts were probably more successful in challenging the budget form, inconsistencies between budgets and spending and some larger non-personnel categories which were producing important impacts on other unit spending. Such was the case with police vehicles and the motors division of public works.

Changes of a control nature may have much longer range implications. For example, the shift of the equipment and vehicles budget to central control not only provides for monitoring of the purchase contracts, specifications and use patterns of this equipment 'outside of the internal user department', but also permits some additional opportunities for efficiency or other gains. Opportunities are regained, for example, to re-open the investigation of leasing arrangements to preferred contractors such as minority businesses. Similar possibilities exist for other city service contracts such as minor maintenance repairs, cleaning work, printing, etc., currently under contracts negotiated primarily by

'user' units. The fact that many such contracts currently hire outside of the civil service makes minority employment opportunities somewhat larger than in city work.⁴³

Chapter 7: Implications of Newark for Black Cities and Future U.S. Urban Policy

In 1974, Kenneth Gibson was re-elected to a second term as mayor of Newark. Over the four years since Gibson became the first black mayor of a major eastern U.S. city, he has been joined by several other black mayors in major cities. Most face an astonishingly parallel set of problems to those of Gibson, including a general fiscal crisis in government, a set of rigid institutions, a weak and fragmented authority system and the prospect of little help coming from either the state or Federal level. Many of these mayors also face the similar problem of responding to demands of poor constituents, pressures from regional elites and city bureaucracies and the daily crisis of financing 'needs' where there are fewer resources available. The key question which was once asked, whether or not blacks ought to take over city hall, has changed. The new question is, what do they do once in to 'save the cities?'¹

While the Gibson experience in Newark must be used with some caution in drawing parallels with other cities, there are nonetheless some useful overall lessons to be drawn. After four years of black government in Newark, by some indicators few improvements have taken place and some things worsened. By other standards, however, substantial changes have taken place. On the side of the worst, poverty and unemployment certainly remain and probably have deepened as the region and the nation have plunged into the worst economic crisis since the 1930's. The physical environment has also shown little outward visible improvement.

Over the four years, slums have spread as white owners have abandoned rapidly deteriorating older housing and unemployment and rising costs have forced new nonwhite owners out of the market. The physical environment under public control has also probably worsened in many ways. The city's enormous public housing projects have deteriorated steadily, assisted by Federal moratoriums on financing maintenance costs, the inherited effects of a corrupt machine on the local housing authority and the country's longest rent strike. Finally, huge tracts of vacant land, cleared during the 1960's for highways and renewal projects which never materialized, remain vacant after 10 years as an ironic reminder of Federal policy failures. There have been some physical improvements in the city, such as construction of a few new schools, a few new housing projects and a vast new complex of higher educational facilities. In the main, however, these were far outdistanced by losses and much of the development hardly reflects the crisis economic and housing needs of most Newarkers.

Both urban physical development and the city's economic situation, however, were victims not so much of local administrative failures. Rather they symbolize in many ways the vast failures of Federal and state urban policies. The new black administration was guilty of vacillating on urban redevelopment, mistrusted developers and the city's own redevelopment arm and thus seldom proved effective in developing a coherent approach to these problems. However, Federal policy, the most important resource for urban problem solving in both issue areas, literally closed shop during the Gibson administration's first term. There is no doubt that Federal moratoriums and similarly negative actions in

renewal and existing subsidized housing programs, for example, went far to devastate rebuilding strategies in Newark. The plans patiently evolved during the first two years of Gibson's administration -- in housing, economic development, infrastructure and transportation -- were abruptly shelved following Federal policy changes. Much of the initial optimism and momentum generated in the city over 'rebuilding' waned.

City services were areas closer to the legal responsibility and span of control of the administration and this study has reviewed key strategies, efforts and experiences in attempts to shift the past pattern of resource allocation and make qualitative and quantitative changes. But for many who went to the polls in 1974, there was very little visible change. Services which touched neighborhoods and citizens most, such as trash collection, police and education were in all likelihood still poor, if less outwardly brutal.

As suggested by a current article, the impact of the Gibson administration experienced both achievements and failures. The article which reviewed the experiences of the six largest cities in the U.S. with black mayors was on the whole sympathetic with Gibson's achievements:

How has Ken Gibson coped with that frightening array of conditions? Remarkably well....He has restored a large measure of public confidence in the integrity of the government and of the mayor (Gibson's white predecessor went to jail for taking kickbacks). He has eliminated a \$65 million budget deficit, reduced the crime rate, and made at least modest improvements in city services. He has also demonstrated, by working openly and on a shared-interest basis with willing whites...that Newark's seemingly extreme racial polarization is more a polarization of leadership than of people....None of the black mayors

has been more innovative than Gibson. To attract new businesses as well as the good will of white residents, he has lower property taxes two years in a row, using federal revenue sharing....Faced with a rapid rate of housing abandonment, he has demolished some 800 buildings....Says Gibson of his 'impossible' mayorship: "As long as white people want these jobs, black people are gonna want 'em too."²

While many of Gibson's achievements were visible and clearly improved the lives of many Newarkers, many were invisible. One key problem with black government in Newark is that most changes have had to wait a disentanglement of institutional chaos in the city and these latter achievements are the least visible.

Visible achievements have nonetheless occurred in increases in nonwhite public employment in the city, in the expansion of black participation in construction contracting and in the growth of important neighborhood services such as health care, youth programs and other 'consumer' oriented activities. While the police still pose major problems for nonwhites in the city, the worst of the discretionary anti-black police system and major corruption has disappeared. There have been major changes in the two large autonomous agencies outside direct control of City Hall, the Housing authority and the Board of Education. Gibson has exercised his prestige and influence to reshape both these agencies in more responsive terms to the citizens they serve. There have also been symbolic gains. The doors of City Hall are open: on any given day, black youth can be seen crowding the steps. And when Newark's first major civil disorder since 1968 was threatened in 1974 following a clash between Essex County police and Puerto Rican picknickers in a

Newark park, Gibson personally led the enraged citizens back to city hall to air grievances, thereby avoiding an open confrontation.

Changes which are less visible in either real or symbolic terms, however, have probably been of equal magnitude to those more visible. Many changes have moved toward more fundamental reorganization of the city's problem solving apparatus and many have succeeded in forcing existing operations to address service needs, or treat the clients of government with some dignity. Gibson succeeded, for example, in creating two major new operating units in the city for the first time in half a century. As the study indicates, these changes in turn permitted expansion of programs to service people, accelerated minority hiring and contract participation and increased citizen involvement. As importantly, changes were achieved by avoiding the confrontations which hurt the city so much in the past. Finally, many changes such as the centralizing of control over city spending and finances and a start on managerial organization of city activities, while modest, if continued promise to achieve major impact over the city's ability to respond to needs in the future.

This chapter is divided into two principal parts and addresses some of the implications of the study and the Newark case for future urban policy. The first part looks at the successes and failures of Gibson's first term in office in the context of the current growth in numbers of black administrations in U.S. cities. There has been a veritable revolution in black electoral politics in recent years and where concentration of nonwhites exists, black mayors have been elected. All of

these administrations face similar problems of extreme population change, economic contractions, and needs to increase city output at a time when resources available are shrinking. Cities likely to elect black mayors over the next decade -- Baltimore, St. Louis, Oakland and possibly Chicago, Cleveland and New Orleans -- all have big problems likely to worsen as the decade is completed. How Gibson has handled his problems may offer some clues to how other cities can handle parallel problems.

A second part of the chapter looks briefly at implications of Gibson's experience in Newark for future U.S. policies on urban problems. Current trends in urban policy both on the state and Federal level are not bright for cities. Many of the deep problems in the Federal system itself are responsible for the symptomatic problem outcomes of the nation's Newarks. There is, thus far, little recognition of how much obsolescence in the Federal system creates problem outcomes in urban areas. Moreover, the general effects of fragmentation and powerlessness visible locally and direct outcomes of the Federal institutional system inhibit collective solutions and responses when appropriate and even desired by a majority of the people. This part focuses on institutional arrangements -- particularly those which are responsible for financing domestic service needs -- which will continue to circumscribe the potential impact black mayor's will have on 'saving the cities'.

A. The Gibson Administration and Black Cities

There has been a rapid increase in black administrations in U.S. cities

during the past five years, reflecting an increase in turning of blacks to organized government and particularly the executive branch of local government for redressing grievances and affecting social change. There are currently almost 3,000 black elected officials in the United States, representing an increase of over 120% during the past five years. Most of these gains are in local government and include mayors of six major cities of over 150,000 population and 98 mayors in smaller cities. Of major cities, Detroit, Los Angeles, Atlanta, Newark, Raleigh and Gary have elected black mayors and an additional half dozen cities are likely to elect black mayors over the next decade. According to a report by the Joint Center for Political Studies of Washington, D.C., in addition to the six named, an additional seven of the 30 largest cities in the United States have voting age populations at or exceeding one-third of the total vote. This suggests that these cities (Baltimore, New Orleans, Memphis, St. Louis, Cleveland, Philadelphia and Chicago) are likely candidates for black mayoral victories over the next few years.³

The list of cities either with recently elected black administrations, or likely to elect them, includes many with much in common with Newark in institutional organization, political culture, demographic and economic character. In all there are first extreme limits on mayoral power to make change posed by the institutional organization of city government, its relation to the state system and all have state civil service systems, entrenched bureaucracies and rapidly unionizing labor forces. The distribution of services is pretty much fixed in a combina-

tion of charter defined arrays and past budgeting practices. The fiscal problems of shrinking resources and obsolescent tax systems are also common. A recent study by Roy Bahl and Alan K. Campbell of the Maxwell School at Syracuse University suggests that budgetary and fiscal pressures in these majority black cities are very high and generally exceed those of mostly 'white cities'.⁴ While some problems may be less extreme than Newark, parallel racial tensions, council racial divisions, police control problems and the like have already characterized infant black administrations of many and bear great similarity to Newark.⁵ For example, Young in Detroit and Jackson in Atlanta have in common with Gibson in Newark major problems in managing the police hierarchy, naming new police directors and ridding departments of past anti-black behavior patterns.⁶

There are other parallels in the demands of constituents and regional interests. As Coleman Young, Mayor of Detroit, suggested in a recent article:

The general belief in Detroit is that there are a thousand jobs out there on the Christmas tree, and people with limited abilities are promoting themselves as prospective commissioners of major departments. In fact, I have about one hundred appointments open to me and most of them require special background qualifications.⁷

In addition to unrealistic expectations of jobs, there is the problem of demands for making very modest changes -- litter in the streets or dignity of treatment by the police -- which suggest 'equality' rather than special attention to nonwhites. While generally modest, such changes as the Newark case suggests are likely to be difficult at best to deliver.

1) Learning from Gibson's Mistakes

Beyond the question of general limits of mayoral power to respond to nonwhite needs in cities, there are other key lessons to be learned from the experience of efforts and outcomes of a black mayor. Gibson's experience along with that of Richard Hatcher in Gary, as seniors in the school of black city government, presents some clear lessons. Some of the errors are particularly useful to examine. This study has suggested that within the sometimes narrow margin of choice there are some actions which might have been handled differently and in retrospect may have produced somewhat different outcomes. While it is generally difficult to speculate and, further, each locality has peculiarities in its political environment which critically affect risk structure of decisions, there are possibly some areas where risks are small. In these cases, better information, advice and 'tests' of decisions might have brought the issues into sharper focus, allowing different treatment and outcomes. There are four such areas which appear important in Gibson's case, all of which involve resource allocation:

- a) centralization of authority over operations and use of mayoral resources
- b) timing of strategies and actions
- c) provisions of stable channels for constituent grievances and feedback
- d) early identification and settlement, where possible, of major obstruction areas

a) Centralization of Authority, Use of Mayoral Resources

Cities differ in the amount of real authority conveyed by legal and institutional means to their chief executive officers and all are limited by the authority of states. Nonetheless, even in the weakest situation, the use of mayoral resources can make vast differences. One

political analyst suggests that the use of a mayor's personal resources and prestige of the office had considerable impact on the real effectiveness of leadership:

Although mayors in Oakland are limited both by governmental structure and political disorganization, there are still opportunities for an inventive political man to make the most of the situation -- by social lobbying, persuasion, publicity, and the creation of groups which will support him. But, as James Young has noted, all this requires adroitness, ingenuity and political expertise. Even given Oakland's constraining structure, personality can make a difference....American cities are unlikely to find their revenue constraints greatly eased in the near future and the jurisdictional fragmentation about which so many mayors complain is not likely to disappear. Thus, the techniques of low resource leadership ...appear to have wide applicability...⁸

During the initial part of Gibson's term, important sources of mayoral authority were delegated to subordinates, considerably weakening the resources of the office. While this reflected Gibson's preference to play a conciliatory role towards managerial staff as well as cultivate initiative in government, it failed because it ignored Newark's traditional unresponsive behavior patterns and dissipated mayoral power. In reasserting control in later years, Gibson managed to eliminate much of the 'negative' filtering of executive priorities for the city and achieve much more meaningful change.

b) Timing of strategies and actions

In reviewing the experience of efforts at making change in Newark, a clear notion of the value of timing actions emerges which suggests that careful and early timing of actions might have achieved results in some cases earlier. Two important questions overlooked by Gibson

were the general expectations for change, early in the administration's life, and the special importance of rapid starts which capitalize on vulnerability of interests, and undercut the tendency for mobilization of opposition and hardened positions to develop.

Changeovers as drastic as those of 1970 in Newark tended to raise the anticipation of affected participants in government for change. Many older civil servants, while hostile to the new black mayor, also expected that the mayor's people, and especially nonwhite supporters, would be given preferential treatment in employment and other rewards of government. Gibson failed to capitalize on this kind of expectation in the interest of 'fairness', but he may have delayed some changes possible, given overall expectations, while not really achieving the reduction in tensions he had hoped for by failing to take control. Delaying changes a system is 'prepared to accept as inevitable' may be costly in future growth of more obstructionist attitude, if participants feel 'weakness' in carrying out change.

c) provision of access for new constituencies

Gibson did open the doors to City Hall and kept them open to citizens, despite the grumbling of the maintenance staff that things would get stolen, or the windows broken. On the other hand, Gibson suffered particularly for his failure -- as did Hatcher in Gary⁹-- to cultivate and keep an 'organizational apparatus' of some type, stamped with his political personality and separate from his official role in City Hall. While organizational apparatuses are generally thought of in tradi-

tional terms as somewhat 'tainted' in their resemblance to organizations of machine politics, there are important reasons why a black mayor needs some special identification with constituents for non-electoral purposes during his administration's life. One reason is that the black community is generally disorganized. While cohesion may appear at election time, the bulk of black voters cease to participate immediately following the election. In many cases, momentum generated by electoral politics is of great value to the communities themselves and should be sustained. Higher levels of participation on the neighborhood level increases the likelihood that problems will be addressed.

From the mayor's perspective, too, there is an important advantage in a personal linkage to voting constituents. In older cities, where change is slow to materialize, citizens often can assist in justifying mayoral efforts with a council, state government or recalcitrant bureaucrats, if there are visible environmental pressures from citizens on him. Such organizations may or may not help in elections. While it is likely that Gibson avoided creation of a stronger organization because of his fear of association with 'machine' politics, primary gains may be less in machine types of vote getting than in ongoing access to citizen demands and grievances.

2) Learning from Gibson's Successes

A critical issue reviewed in the course of this study which is suggested as a key to mayoral success is establishment of firm control over resource allocation in the city. Findings of Gibson's experience

most useful for other black mayors is that where resources are scarce, change is absolutely dependent on a strong focus on (1) generating new resources, where possible and (2) gaining quick and firm control over conventional resources such as the budget, appointive authority, personnel policy and, where possible, instruments which can develop programmatic changes in the city's array. In Gibson's case, there was an early focus on the first necessity; Gibson successfully utilized the personal prestige of office and the uniqueness of Newark to sell the city's critical needs. In the second case, understanding of the potential took longer. In attacking the problem of resources several of the mayor's personal strategies appear to have been influential in accelerating change:

- a) capitalizing on being the 'worst'
- b) creating 'confidence' and trust
- c) mediating and reducing conflict

a) capitalizing on being the 'worst'

Gibson may well go down in history as the only public official in the U.S. to have successfully 'sold' a disaster. His best known quote, "wherever U.S. cities are going, Newark will get there first", however, implies a realistic appraisal of the city's problems and he has successfully confronted key actors in state and federal government with these unvarnished facts. While some 'boosters' privately may complain that this kind of realism hurts the city's business position, Gibson feels strongly that those who are not prepared to make strong commitments to the city's real problems are not necessarily in the best interests of the city. More importantly, however, the strategy has

achieved considerable success, particularly in raising resources to more realistic, if still inadequate levels. New taxes have been generated, the state's urban aid formula has been changed and the Federal government has allocated a level of special assistance programs to the city surpassing that of most other cities. Newark does have deeper problems than most other cities in the U.S., but without considerable use of Gibson's personal prestige in 'selling' the city's needs, it is highly unlikely that much help would have been forthcoming.

b) creating confidence and trust

Along with the technique of selling the city's problems to generate new resources for solving problems, Gibson's personal style has helped considerably both in this area, and in Newark and the region in more general issue raising. By temperament, Gibson lacks charisma and articulate reform personality which make mayors like Hatcher and Jackson darlings of the liberal press. Beneath the external presentation, however, Gibson has cultivated a careful image of honesty and integrity in government. He projects to Federal and state bureaucrats, to the local business elites and to the press, an image of clean government valiantly striving for managerial reforms in the best of American reform tradition. For many on the state and local levels, he represents a low 'risk'. Within Newark government and politics, Gibson stubbornly refuses to bargain or trade in the city's prizes. While he has probably lost many battles with the council over desired changes, he has maintained considerable control over resources and kept them largely in the formal allocation system. There is very little patronage

in City Hall because Gibson has chosen deliberately not to create it in the mayor's office.

Outside government in Newark's broader community, Gibson has played a similar 'clean' role. The image he projects is that of a calm, deliberate and 'fair' political style, struggling to achieve the modest goals so many of his constituents seem to value above more radical goals. In working class black Newark, with its absence of elites in business or intellectual circles, the style and the objectives appear to work well. As one observer suggested. "Newark's blacks are tired of flashy styles and empty promises. They really need Ken Gibson's 'steady-eddie' style."

c) mediating and reducing conflict

Gibson's conciliatory role, while admired in some circles, has also been criticized as conservative, low on risktaking and giving too much power to those elements insensitive to community needs, such as hostile civil servants or the business community. At the same time, however, Newark continues to be a city where tensions both in and out of government run high. During Gibson's initial four years, despite the public press posture, Newark has continued to sit on the edge of violence. In government, tensions are of a somewhat different nature. Many operations appear to run on 'crisis' and confrontation, with neighborhoods, service clients and between internal actors themselves. Much of the tensions both in and out of government have been held in check by Gibson's success in mediating conflicts.

In government, Gibson has not so much retreated, as chosen to 'wait out' many 'crisis' problems. The case of the business administrator who systematically attempted to undercut the mayor's authority and exhibited considerable hostility to many service priorities was one case Gibson successfully waited out at minimal cost. Another case is represented by the city council. Gibson attempted to convince the council to act in the city's interest, but that failing in an extreme situation, ended by ignoring council behavior. Similarly, a crisis confrontation between HUD and the Newark Housing Authority, extended through a 'wait out period', ending with Gibson gaining control over the agency, while preserving the institutional apparatus and good relations with tenants. In many of these cases, quick solutions, with high payoff potential but higher risks were successfully resolved by a more deliberate and calculated approach.

B. Gibson's Second Term

On balance, Kenneth Gibson's administration has probably scored well for its first term in office. If the Newark experience is any measure, blacks will benefit on the whole by electing black leadership to office. The degree to which black leadership in office can be successful, however, still depends on a combination of factors outside the voters control in choosing one personal or political style or the political skills and determination an individual brings to office. The fact that Gibson did succeed in making some improvement, in a very extreme case of resources and pressures, however, suggests that blacks will probably benefit in most cases.

In 1974, the Gibson administration was re-elected to extend its tenure in City Hall for an additional four years. Despite the real doom predicted for confronting urban problem-solving in the latter part of the decade of the 1970's, however, it is probable that improvements started during the administration's first term will continue. Several changes in the administration's approach are already visible and capitalize generally on the first four year's learning. Some changes reflect changes in Federal policy. Many, however, suggest that in the experience of the initial term, there will be increased attention to the centralization of authority in government and to the carrying through of many changes the administration failed to achieve during the initial term.

It is likely that the next four years will see continued pressures on the state and in the Federal arena for reform in the tax structure and for additional resources to benefit nonwhites in the city. New money, principally in the form of Federal grants-in-aid in urban redevelopment and social services have already been centralized under the mayor's control. There is a new planning system which emphasizes the setting of central goals for resource allocation, demonstrations of feasibility for community participation in both input and output levels and an end to the 'categorical turf system' which characterized grants in former years. It is likely that nonwhites will benefit far more than under the previous urban renewal programs. It is also likely that increased attention will be placed on minority oriented economic development in the city as well as housing and social service

areas. Some small starts seeded with city sponsorship have already begun to take shape. There are several new 'large scale' development projects under consideration -- including a regional sports complex -- which could 'package' external black capital and capitalize on Newark's regional position. If such projects do materialize, it is likely that local nonwhites will be able to gain a substantial share both in initial investment stages and in later stages in employment. Another key issue of the past in the physical development area is housing. Newark still suffers from a chronic shortage of standard housing at any price; and the older stock is deteriorating at a rapid pace. It is likely that the lifting of the Federal moratoriums will go a long way towards changing this situation; there is an accumulated backlog already on housing planned and ready for construction by community based non-profit groups in the city. Current Federal resources under city control already have allocated a substantial amount of money for assistance to development of new housing, and a home loan repair revolving fund is currently being set up.

In addition to capital development, Newark's nonwhites can expect other gains over the next four years. Black employment in city services will probably continue its increase, as well as contracting on city generated projects. In a shrinking job market, increasing nonwhite public employment can have considerable impact first in closing the city-wide job gap and secondly in generating other employment from consumer spending.¹¹ Contracting of public construction to minority contractors, already started during Gibson's first term, will probably continue. In-

creasing the use of minority contractors and developers further assures that black construction workers will get their 'fair share' of employment, so long denied under the past systems. Other city contracting -- of services such as health, early child care, recreation and cultural services -- to community-based sponsor groups will probably also continue. The city's health department already has plans to open five neighborhood health care clinics, all under neighborhood board control, thus decentralizing all the planned service expansion of health. Continued decentralization of such services may not only result in qualitative changes in dimensions of services, but expand the real availability of services in the city.

C. Implications of Newark for Future U.S. Urban Policy

As this study has suggested throughout, Newark's problems are linked with two general failures in the U.S. system. One is the general failure to evolve a genuine urban policy which addresses problems of obsolescence in city physical and institutional systems and the real roots of poverty in the economic system's failure, under free market conditions, to provide employment and income adequate to support demands and requirements for human participation in urban life. A second failure also clearly demonstrated in the case of Newark is the deeper failure of the Federal institutional system, which practically prohibits national resource allocation to address standard domestic service needs of a contemporary society. Until some marginal moves are made in both these areas, the Newark's of America will continue to grow and there will be little the best black administration can do

to rebuild them.

In many ways, Newark does epitomize the failure of U.S. urban policy. Newark has a large inherited past of Federal urban 'solutions' aimed largely at subsidizing economic interests, at the expense of the human needs side of the community. In most cases, the vast expenditures of federal dollars on renewal were frankly designed to 'contain' black expansion at best under the benevolent control of white ethnic bosses only slightly higher up the status scale. Federal policies frankly reflected the sober racism of the U.S. of the 1960's, identified so strongly in riot commission reports. More importantly, however, they reflected the strong conservative posture of 'subsidizing' a market, even when it had to be created as in Newark, to avoid subsidizing the poor. Current solutions, in the form of Federal programs, do not appear to have changed this general philosophy, however. In Newark's case, Federal money will certainly be allocated to assist nonwhites on a variety of levels, principally because the administration which sits in City Hall is black. If Gibson wants to be re-elected, he will have to spend Federal dollars in ways that benefit his nonwhite constituency. But the overall aims and goals of Federal programs do not reflect the probable approach of a Gibson or a Hatcher. The real facts about the new policy are that they represent more of a continuation of past biases, and where government is not representative, as was the case in Newark prior to 1970, such biases are not likely to be challenged by local government. This essentially means that nonwhites and the remainder of the urban poor will once again see a flow of subsidies to real estate developers, and to business and entrepreneurial interests and

very few improvements in poorer residential neighborhoods.

The assumptions which lie behind both general revenue sharing and the new urban block programs devoted to urban redevelopment and human resources are not based on the evolution of a genuine urban strategy which balances the problems and needs of the nation's poorer citizens. Further, there are few stated urban goals, or specific guidelines, which would provide leverage over the use of the programs. The case of Newark prior to 1970 suggests that without some kind of control to assure that citizens are protected, it is clear that the poor will find themselves beating back another stick, or worse, ignored altogether. A series of cases currently in the courts challenging discrimination in resource allocation decisions on use of the Federal grants also suggests that yet another failure is already being felt.¹²

A key problem which must be overcome before any genuine policy over urban development subsidy can be developed which will help cities like Newark is a deep aversion to genuine social program approaches which cease pretending that there is some 'workable market solution' to every human need -- from housing to health -- in poor cities, and then focuses on financing or subsidizing a mythical set of entrepreneurs in cities. It is this 'entrepreneurial' subsidy approach which produced the worst failures and scandals of urban renewal housing development and Federal sponsored economic enterprise in ghettos. The truth of the matter is there are very few entrepreneurs legitimate or otherwise in cities interested in making investments and that, in the absence of this entrepreneurial class, it may be better to instead



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socialize Federal investment to best benefit the poor and those residents with real stakes in the future of cities.

The second deeper failure visible in Newark is the failure of development of a contemporary U.S. institutional framework, which reflects the current standards of industrialized society, in financing reasonable levels of domestic urban services by means which are logical and efficient. As currently structured, the rigidly institutionalized system of fragmentation of responsibility between national, state and local governments serves to shift major burdens for services with high spillover effects on the local level, where financing of these effects are least possible, and devote major resources to areas where initial beneficiaries are increasingly narrow, as in agriculture. There is no question that the approach is unique to human resources areas, however, and still reflects the overwhelming 18th century conservatism which pressed maintaining elite control by keeping government small. Government on the national level, however, is not small and there are very large allocations of resources to non human resource areas with spillover benefits and costs such as the highway program and national defense. These interest areas are financed appropriately on the national level, where tax growth is high, where jurisdictional effects are minimal and where redistribution of income can and does occur. The fact that public education, health and public assistance have not followed suggests there are genuine deep structural problems in U.S. society which inhibit reasonable standards being achieved, even if a majority -- as in the case of health -- prefer it.

The problem of the failure to organize and finance domestic services is increasingly felt not only by the Newark's of the nation, but increasingly by other localities in metropolitan America, including urbanized suburbs. Middle income suburbs are increasingly unable to support basic services such as public education and are therefore starting some pressures toward transferring costs to state and regional levels.

For the cities, a key effect of transferring responsibilities for financing human resources services to the Federal level will be to relieve burdens from sluggish tax bases with slow revenue growth such as the property tax. But there are other benefits, particularly for nonwhite cities. One benefit is the strong ability of the Federal level to equalize expenditures and resources between regions and redistribute equitably. Another gain may be in 'imposing' qualitative service levels which could act to end regional biases which produce inferior educational programs for nonwhite and rural poor white children.

One valuable service that the new black mayors could make is to take leadership in some concerted effort on these deeper problems which promise without some national exposure to accelerate the creation of future Newarks.

CHAPTER I FOOTNOTES

1. For a critical look at the New Jersey tax system's effects on poorer households, see: Report of the New Jersey Tax Policy Committee, Vol. 1. For a more general appraisal of local tax systems, see Dick Netzer, Economics of the Property Tax, Chapter 5, pp. 86-137 and "Measuring the Fiscal Capacity and Effort of State and Local Areas," Advisory Commission on Intergovernmental Relations, 1971.
2. For an appraisal of the punitive effects of urban renewal displacement on non-whites, see Building the American City, Report of the National Commission on Urban Problems, pp. 80-93; an impressionist appraisal of police harassment of nonwhites in James Q. Wilson, Varieties of Police Behavior, pp. 191-199 and a contrasting view on harassment by Haywood Burns, "Can A Black Man Get a Fair Trial in This Country," New York Times Magazine, July 12, 1970.
3. For example, see a recent popular press city survey in New York Magazine,
4. Centaur Management Consultants, Inc., "Economic Development Framework For the City of Newark," prepared for the Overall Economic Development Program Committee, Newark, New Jersey, June 1974, pp. II-20 (According to data from the U.S. population census presented in this report, in 1970, domestic service workers comprised 26% of the nonwhite workforce, compared to 7.6 for whites; and nonwhites in categories of operatives and laborers, 36.2% of the nonwhite workforce (compared to 18.7% for whites.). Median family income over the census periods 1960 to 1970 also fell in Newark; while nonwhite median family income was 62.8% of SMSA income in 1960, by 1970 the ratio had fallen to 56.90. Much of the differential in income between Newark 'blue collar' workers and blue collar workers in the SMSA is explained by the very low proportion of nonwhite 'craftsmen' of total blue collar workers. While nonwhite craftsmen counted for only 8.2% of employed workforce in Newark, over 18.7% of the SMSA workforce was concentrated in these work categories.
5. Ibid. Such employment included: domestic service workers, operatives in nondurable goods manufacturing, construction laborers categories, all of which show disproportionate concentrations of nonwhites, relative to whites. The age structure also aggravates the general problem. Between 1960 and 1970, the proportion of the city's population concentrated in the 15-19 age group increased from 6.5% to 8.6%; further, the trend is expected to continue over the next two decades before the present decreases in birth rates start to be felt in the labor market. Newark officials estimated that over 1/3 of the city's teenagers were unemployed in 1973.

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6. "Planned Variations Projects," Mayor's Policy and Review Office. March 1973, pp. I-8 and I-10.
7. Ibid. See also, Centaur Management Consultants, Inc., op. cit., pp. II-44.
8. "Newark: An Analysis of a City," Black Enterprise, August 1970, p. 39. (According to this article, of 210,000 jobs in the city, 117,000 were held by non-residents.)
9. For example, illusions to the impact of population change, and particularly racial change, are made repeatedly in: Bernard Nortman, An Economic Blueprint for Newark, Office of Economic Development, Newark, New Jersey 1967. The study flavor in this respect follows the spirit of what Arnold Meltsner calls 'blame-the poor-blacks-hypothesis,' in Politics of City Revenue, p. 18.
10. Joseph Confronti, "Newark Ghetto or City," Society, Sept./Oct., 1972, p. 24.
11. Centaur Management Consultants, Inc., Economic Development Framework for The City of Newark, New Jersey, Washington, D.C. 1973, pp. II-38 to II-50. According to this report based on U.S. census data and state economic data, Newark's employment declined from 231,000 in 1952 to 218,000 in 1972, amounting to an annual decline of 0.3 per cent per year; most was lost in manufacturing and trade categories -- 50,000 -- but these losses were partly offset by growth in government, services, transportation/construction/utilities and Finance/Insurance or around 38,000 over the period 1952 to 1972, p. II-41.
12. Interview, David Witcher, Criminal Justice Planning, Newark, October 1973. Witcher reported that such was the recruitment pattern for the 'police cadets program,' a Federal Law Enforcement Administration program designed to facilitate entry of nonwhites into police work. See also. Ron Porambo, No Cause for Indictment, p. 260, for Federal investigation and curtailment of the Federal New Careers program.
13. Report for Action, New Jersey Governor's Select Commission on Civil Disorders, Trenton, 1968 and Report of the National Advisory Commission on Civil Disorders, Washington, 1968.
14. Generally, this is visible in differentials between center city and suburban jurisdictions in educational expenditures. According to one recent study, suburbs occasionally spend more in other human resources areas as well. An example cited is the Philadelphia metropolitan area which actually spent more than the center city for public assistance! See Edwin S. Mills, Urban Economics, p. 226.
15. For a summary of these views, see: John Crecine, Governmental Problem-Solving, pp. 8-21.

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1. For an excellent cross section of treatments, see Hugh Davis Graham and Ted Robert Gurr (eds.), Violence in America: A Report Submitted to the National Commission on the Causes and Prevention of Violence, Bantam Books, New York.
2. Taylor, Clark, "Parasitic Suburbs," Society, Sept./Oct. 1972. According to Taylor's data, traced by former Newark activist, Robert Curvin, a major culprit was the Bergin-Reiffin Act, a statute passed by the New Jersey state legislature during the late 1940's to 'relieve' business from paying certain kinds of taxes on property in the city. Prudential and Mutual Benefit Life insurance companies were, according to Taylor, in the forefront of the lobbying effort for the bill. By 1970, it was estimated to have cost the city over \$17 million dollars, pp. 37, 38.
3. For a fascinating account of one 'company,' Valentine Electric Company's birth in city contracting, see Henry Zeiger, The Jersey Mob, 1975, based on the transcribed F.B.I. tape recordings of syndicate leadership.
4. Harold Kaplan, Urban Renewal Politics, for a view of early renewal politics in Newark.
5. For a discussion of the relevancy of this view to U.S. blacks, see Edward S. Greenberg, "Models of the Political Process: Implications for the Black Community," in Greenberg, et al. (ed.), Black Politics, pp. 3-15.
6. For example, see William A. Gamson, "Stable Unrepresentation in American Society," in Greenberg, et al. (ed.), op. cit. pp. 55-69.
7. Kaplan, op. cit., presents a view of the 1940's and 1950's in Newark as extremely shifting in terms of corporate interests with 'ethnic' whites largely dividing up city rewards on a shifting basis, depending on which group is in power. See chapter 3, pp. 39-60.
8. Kaplan, op. cit., p. 40.
9. Ibid., pp. 54-56.
10. In Northern New Jersey county politics, the mayor of one of the two largest cities (Newark or Jersey City) was said to have considerable influence in county democratic politics and a potential to run for the gubernatorial seat.
11. Kaplan, op. cit., pp. 54-56.

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12. Fred Barbaro, "Political Brokers," Society, Sept./Oct., 1972, p. 42.
13. Barbaro, op. cit., p. 42 and Kaplan, op. cit.
14. For a critical review of the politics of Newark's urban renewal program under two ethnic regimes, see Harold Kaplan, Urban Renewal Politics, op. cit., Chapter III, pp. 39-60.
15. Clark Taylor, "Parasitic Suburbs," Society, Sept./Oct. 1972, pp. 37-39. Kaplan, op. cit. also notes this tendency, as a wartime phenomena, suggesting "The large corporations had no stable commitment to Newark, and the corporation executives had no motive for involvement in local politics....", p. 62.
16. Kaplan, op. cit. Kaplan suggests that the Council was fairly docile on technical decisions, but did have a "serious rebellion against the administration...on the making of appointments, the awarding of contracts and the treatment of public employees," p. 52.
17. Kaplan, op. cit. p. 137; pp. 153-160 suggest that Turner's main gain with Carlin was increased public housing project construction in the Central Ward, which 'stabilized' the Turner 'black vote'; by 1958 elections, however, Turner and his voting block were thoroughly alienated; Carlin received the lowest percentage of votes in black areas of the city after the Italian districts.
18. Barbaro, op. cit.
19. Ibid.
20. Observers are divided on the extent to which Addonizio's connections with organized crime represented control over him as a public official. Ron Porambo, a local journalist, pointed out in his police study of Newark that Addonizio received substantial campaign contributions during his elections from know syndicate members Anthony Caponigro, Anthony Boiardo, Ham Dolasio and Angelo De Carlo. Barbaro by contrast suggests these contributions were more harmless since many were friendships which dated from parochial school days. See Ron Porambo, No Cause for Indictment, pp. 259-261, and Barbaro, op. cit., p. 43.
21. For syndicate involvement in Addonizio's election and the famous quote attributed to Addonizio that 'you can't make any money as a congressman but as mayor of Newark you can make a million bucks a year,' see Henry Zieger, The Jersey Mob, op. cit., pp. 7-45.
22. Fred Barbaro, op. cit., p. 43.

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23. Barbaro, op. cit., p. 43. Turner was later indicted along with Addonizio and other officials in 1970 at the corruption hearings.
24. Barbaro, op. cit., p. 44.
25. See "Mayor Pares Budget Bids by Hospitals," New Star Ledger, December 29, 1975, for the Council's response of the time. Addonizio further stated that the jobs were necessary to clean up the 'mess' left by Carlin, consisting of 20,000 unprocessed traffic tickets and a bus strike emergency. One councilman complained that the budgetary increase required for the 500 new jobs would surpass the entire 8 year budget increase of the Carlin administration.
26. Report for Action, op. cit., criticized the general picture of management and use of 'political aids' in critical managerial and administrative positions. See also, Robert Curvin, "Black Power in City Hall," Society, Sept./Oct. 1972 pp. 55-58, for a similar appraisal.
27. Joseph Contronti, "Ghetto or City?", Society, Sept./Octo. 1972, pp. 24-26.
28. It was estimated by the city personnel officer in 1974 that over 20% of the pre-1970 municipal employees in Newark in non-contracted services were hired outside civil service rules and few had ever taken an examination. In New Jersey, as in most states, the state civil service commission which designs and supervises tests for standard work categories may delay testing for many years. Interview, Alphonse Kittrels, October 1973.
29. Report for Action, op. cit., pp. 27, 28. Many city governments, including the present Gibson administration in Newark, use 'provisional' appointments liberally during political administration turnovers. Delays can be extended if civil service examinations are sporadically scheduled as they are for many job categories. For a fuller discussion of the New Jersey system and non white hiring, see Report for Action, op. cit., pp. 22-30.
- 30.
31. Ron Porambo, No Cause for Indictment, pp. 60, 62. Also Zeiger, op. cit., p. 44.
32. Henry Zeiger, op. cit. According to the F.B.I. tapes, reproduced by Zeiger, from court transcripts, there was a near obsession with mobsters getting 'Italian boys' in key places, both in government and business and an equal distrust of the Irish and Jews. See pp. 17-55.

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33. Kaplan, op. cit.
34. Jewell Bellush and Murray Hausknect, "Entrepreneurs and Urban Renewal," *Journal of the American Institute of Planners*, 32, September 1966, pp. 289-297.
35. Bette Woody, Renewal Politics in New York City: Case of Cooper Square, unpublished M.S.U.P. Thesis, 1970, Columbia University.
36. Annual Report 1970, Newark Human Rights Commission, Newark.
37. Community Renewal Program Report, Newark Housing Authority, Newark, New Jersey (1968). In New Jersey, state enabling legislation required that the renewal program (title I of the 1949 Federal Housing Act) be administrated exclusively through local Housing Authorities in the state. Thus the failure of separation permitted in other states such as neighboring New York.
38. Zeiger, op. cit.
39. Kaplan, op. cit., pp. 17, 18; 39-40.
40. Report for Action, pp. 56-57.
41. Report for Action, op. cit., p. 10 and Kaplan, op. cit., pp. 84, 89.
42. Interview, Junius Williams, former director, Newark Emergency Committee to Stop Route 75, June 1972.
43. Community Planning Associates, "Route 21: Newark", Planning Report to Newark Community Development Administration, Newark, New Jersey, 1972.
44. For a detailed and fascinating account of the Medical School site controversy on three levels of government, and community opposition, see Leonard J. Duhl and Nancy Jo Steetle, "Newark: Community or Chaos," *Institute of Urban and Regional Development, University of California (Berkeley)*, p. 550.
45. Leonard J. Duhl and Nancy Jo Steetle, op. cit., and Report for Action, op. cit., p. 12.
46. Interview, Lawrence Coggins, October 1973. Coggins, presently Newark's director of Community Organizations, and a long time activist in Newark black politics, suggested the model of 'colonial ghetto'.
47. Report for Action, op. cit., pp. 7 and 16.

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48. Interview, Lawrence Coggins, op. cit. and Interview, Lloyd McKessey, manager, Bureau of Streets and Sidewalks, Department of Public Works, Newark, October 1973. According to Coggins, city jobs did expand to 'accommodate expansion of nonwhites; however, they were generally restricted to white supporters, reflecting a paternalism characteristic of the regimes. McKessey, a black engineer, suggested that the securing of laborers employment in his division was partly explained by the existence of a strong black labor local representing the asphalt workers. This assured that most of the jobs in the streets division went to black workers in the past.
49. Porambo, op. cit., p. 319, cites efforts of Gus Heningburg, head of the Newark Black and Puerto Rican Construction coalition and experiences of the group. Heningberg suggests a great deal of the blame for construction discrimination lies with the Federal and state authorities who refuse systematically to pressure local governments and the unions on political grounds. He charged that political pressure prevented the New Jersey Division of Civil Rights from taking court action against contractors. "The Civil Rights Division takes on issues which the governor tells them they can take on... they have investigated discrimination charges in the building trades in New Jersey for years and they have reached a point where the minority guys...won't even talk to them any more...they've got enough information to go to court and they haven't done it."
50. Report for Action, op. cit., pp. 14-15.
51. Howard W. Hallman, Neighborhood Control of Public Programs, pp. 59-65.
52. "Fiscal Analysis: Community Renewal Program," First National Bank of Boston, January 3, 1966.
53. Ibid. In 1964, during his first term, Addonizio did make a speech protesting the tax reform issue before the New Jersey State legislature on grounds that the city would lose between 3 to 5 million dollars in revenue. The Essex County representatives, however, supported the state action on grounds that it was good for business. See Robert Sarcone, "Addonizio Drive Delays GOP Tax Reform Plan," Newark Star Ledger, June 23, 1964. After this, however, Addonizio appears to have lost interest in the fiscal problems of the city as a state political issue.
54. Robert Curvin, "Black Power in City Hall," Society, Sept./Oct. 1972, pp. 55-58.
55. "Mayor Pares Budget Bids by Hospitals," Newark Star Ledger, December 29, 1965.
56. Ibid.

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57. Interview, Robert Dumpert, Budget Examiner, 1973
58. Interview, Gregory Smith, September 1973, Assistant Budget Director.
59. For a good view of the fiscal impact of suburbanization on older Northern New Jersey communities through state tax policy, see Robert Wood, 1400 Governments, pp. 57-64.
60. See Report for Action, op. cit., pp. 12-15 for the Addonizio administration's statements on efforts to get state participation in the medical school site and other projects.
61. Barbaro, op. cit., p. 45.
62. Barbaro, op. cit. pp. 44-45.
63. A Newark black assemblyman, George Richardson, with ambitions for the mayoralty himself, was instrumental in promoting the Gibson candidacy in 1966. Barbaro gives Richardson, who later broke with Gibson to run in 1970, the greater moral victory despite his loss in a challenge to Turner's Central Ward council seat.
64. Ibid. In Newark, elections are non partisan and all candidates run in the primary with the two top winners running in the final if neither polls more than 50% of the vote. Robert Curvin, a long time Newark observer and political analyst suggests that the non-partisan character of elections are particularly harmful to black candidates since party identification is high among black voters, especially during a presidential election.
65. Porambo, op. cit., p. 83.
66. Barbaro, op. cit., p. 45. According to Barbaro, despite Carlin's withdrawal, he still polled 19,629 votes to Addonizio's winning 47,834 in the final election. For an assessment of the white vote in majority black elections, see Thomas F. Pettigrew, "When a Black Candidate Runs for Mayor: Race and Voting Behavior," People and Politics in Urban Society, pp. 95-118.
67. Report for Action, op. cit. p. 25.
68. Porambo, op. cit., p. 81. Particularly cited was the Federal Department of Labor's "New Careers" Program which was terminated after Federal investigations found patronage in the use of \$350,000 in funds.
69. Porambo, op. cit., pp. 370-381.

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70. For a statement of the contract, see Ron Porambo, No Cause for Indictment, Holt, 1972, p. 316.
71. Ibid.
72. Ibid., p. 7.
73. Leonard J. Duhl and Nancy Jo Steetle, "Newark, Community or Chaos," op. cit.
74. Porambo, op. cit. and Report for Action, op. cit., pp. 97-101 for a general appraisal of Addonizio's approaches to the city's health facilities.
75. Porambo, op. cit., p. 8.
76. Report for Action, op. cit., pp. 97.
77. Leonard J. Duhl and Nancy Jo Steetle, "Newark: Community or Chaos," op. cit., p. 550.
78. Ibid.
79. Ibid.
80. Ibid.
81. Ibid.
82. Ibid.
83. Duhl and Steetle, op. cit., p. 551.
84. See Porambo, op. cit. p. 69. Porambo represents this view to some extent, but it is also echoed throughout the Kerner Commission Report and that of the Report of the Governor's Select Commission on Civil Disorders of New Jersey.
85. John Cunningham, Newark, New Jersey Historical Society, Newark, 1966.
86. This is the impression of some of the FBI tapes, reproduced in Porambo's narrative, No Cause for Indictment, as well as other reports. For example, Tony Boy Boiardo, son of the reputed 1920's bootlegger Ruggio Boiardo, suggests in one tape that his [Tony's] interests from small interests in City Hall, where they were 8 years previously, to larger things and that he deals exclusively with Spina (the Police Director), rather than lower echelons. He suggests,

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- therefore, to his caller, that some other, smaller entrepreneur has entered the picture in this particular activity, probably from another outfit. For the full conversation, see Porambo, op. cit. pp. 69 and 70.
87. Porambo, op. cit. p. 68. This is largely confirmed by FBI taped accounts in Zieger, op. cit., p. 24.
 88. Porambo, op. cit., p. 61; also Zieger, op. cit., pp. 24-45.
 89. Ibid.
 90. Porambo, op. cit., p. 35 and Report for Action, op. cit., p. 28.
 91. Report for Action, op. cit., p. 28, for Redden's testimony on the Newark Police Department.
 92. Porambo, op. cit., p. 61.
 93. Report for Action, op. cit., p. 32 (quote from statement of Committee of Concern signed by 50 prominent Newark citizens).
 94. Op. cit., p. 21.
 95. Ibid.
 96. Op. cit., p. 22.
 97. Tex Novellino, "Addonizio Rejects Review Board," Newark Star Ledger, April 4, 1963, p. 1.
 98. Porambo, op. cit., p. 185.
 99. Op. cit., pp. 185-186.
 100. Ibid. Porambo cites the treatment of the state director of the New Jersey ACLU in particular and James Farmer of the national CORE both of whom were brutally beaten by 'off duty' policemen, then arrested on wild charges such as striking a pregnant woman. In both cases, white racist counter demonstrations provided cover and testimony to absolve the police.
 101. "Addonizio Sees Victory, Blasts Foes Bitterness," Newark Star Ledger, May 7, 1970. According to this report, Addonizio had a black aide, Lew Perkins in the Central Ward, announcing that if 'blacks didn't elect Addonizio, the streets would run with blood.'

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102. "Mayor Tells Aides to Get with Him or Get Out," by Tex Novellino, Newark Star Ledger, June 8, 1969. The list of endorsements from organized labor in New Jersey was very long. Practically all the major unions endorsed Addonizio, while only a handful of black locals endorsed black candidates. Included were Essex County Veterans, retail clerks local, Roofers Local 4: Independent Negro Teachers Political Association; City Police Association and Housing Authority Police Association; Cooks and Counter-men and Cafeteria Employees; Teamsters Joint Council 73 (representing over 90,000 workers). Notable exceptions were the Newark Teachers Association, which refrained from making any endorsement and the Newark Firefighters Association which finally endorsed Addonizio prior to Fire Chief John Caulfield's entry into the mayoral race.
103. "Agreement Reached on Pay Raises," Newark Star Ledger, April 8, 1970.
104. Novellino, op. cit.
105. Porambo, op. cit., p. 334.
106. For Robert A. Dahl's view on the dual black-white participation in the U.S., see Polyarchy, Yale University Press, p. 93.
107. George Sternleib, "The City As Sandbox," Public Interest, pp. 14-22.
108. Frances Piven and Richard Cloward, "Black Control of Cities," in Edward Greenberg, et al. (ed.), Black Politics, pp. 118-131.

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1. St. Clair Drake, "The Social and Economic Status of the Negro in the United States," in Greenberg, Milner and Olson (ed.) Black Politics, pp. 16-55.
2. William Gamson, "Stable Underrepresentation in American Society," in Greenberg, et al., op. cit., p. 64.
3. For one view, see Lewis Cosner, The Functions of Social Conflict, Free Press, 1956.
4. Hadden, Mascotti and Thiessen, "The Making of the Negro Mayors," in Leonard I. Ruchelman (ed.), Big City Mayors, pp. 122-139.
5. Ibid., p. 139.
6. Hadden, Mascotti and Thiessen, op. cit.
7. See J. C. Davis, "Toward a Theory of Revolution," American Sociological Review, 1962, Vol. 27, pp. 9-19; L. H. Mascotti and D. R. Bowen (ed.), Riots and Rebellion: Civil Violence in the Urban Community (Beverly Hills, Sage, 1968).
8. Thomas Pettigrew, "Racially Separate or Together," pp. 147 and 148.
9. Ibid.
10. Pettigrew, op. cit., p. 159.
11. Robert Dahl, Polyarchy, pp. 93 and 94.
12. James Q. Wilson, Negro Politics, pp. 21-47.
13. Ibid. See also Floyd Hunter, Community Power Structure, Chapter 5, pp. 114-150 for a detailed description of the operation of an elite controlled, non-machine, black syb-system.
14. Joseph Confronti, "Ghetto or City," Society, Sept./Oct. 1972, p. 24.
15. John Cunningham, Newark, op. cit., pp. 212 and 213.
16. Irving Krislov, The Negro in Federal Employment, University of Minnesota Press, Chapter 3.
17. Chester Rapkin and Eunice and George Grier, "Group Relations in Newark," Newark, New Jersey, 1957.
18. Centaur Management Consultants, Economic Development Framework for the City of Newark, City of Newark, June 1973.

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19. Rapkin, et al., op. cit., pp. 14 and 16.
20. Ibid.
21. Centaur Management Consultants, op. cit. pp. II-21.
22. Harland Bartholomew and Associates, A Post War Construction Program for Newark, New Jersey, Central Planning Board, Newark, New Jersey, July 1944.
23. Wilfred Owen, The Metropolitan Transportation Problem, The Brookings Institution, 1956.
24. Rapkin, et al., op. cit.
25. Ibid. Rapkin suggests that in 1950 the poor occupational structure of nonwhites relative to whites was largely explained by the female proportion of the population. While the structure of nonwhite males was not drastically different from that of white males in the construction and manufacturing industries [though there were lower proportions in services], the real problems lay on the female side where over 55% of female nonwhites were concentrated in personal and domestic services, compared to around 6% for white females; and only 25% of nonwhite women were employed in manufacturing compared to 40% of white women. The higher labor force participation of nonwhite females, compared to white females, coupled with the high concentration of 'external' domestic employment, tended to skew the entire occupational structure, external commutation and wage structure of nonwhites. See Rapkin, pp. 22-29.
26. Ibid.
27. Harland Bartholomew and Associates, ibid.
28. Ibid.
29. Ibid. Recent studies on the nonwhite labor market by Bennett Harrison suggest that this relationship between low wage-employment and excess labor would indeed disintegrate with increased public employment in ghetto areas. See Bennett Harrison, "Public Employment and Urban Poverty," The Urban Institute, 1971.
30. Report for Action, p. 73 (see also A. Blumrosen, "Anti-Discrimination Laws in Action in New Jersey," Rutgers Law Review, Vol. 19, No. 2, 1965.
31. See Rapkin, op. cit. for Carlin's Group Relations Committee and Report for Action, on Addonizio's Human Rights Commission activities.

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32. Report for Action, op. cit. p. 24. Also interview with Lawrence Coggins, October, 1973. According to Coggins, who was active in the neighboring Central Ward with the Turned Organization, Clinton Hill was viewed as a 'white or Jewish dominated organization,' sprinkled with middle income blacks, as much opposed to black expansion in the area as to urban renewal.
33. Report for Action, op. cit., p. 11.
34. Ibid. Also interview with Junius Williams, op. cit.
35. Ron Porambo, op. cit. Porambo reports many knowledgeable people in Newark suggested Turner combined his 'reporting' with politics by taking down names from the police blotter for later blackmail.
36. Report for Action, op. cit., p. 16.
37. Ibid. See also Porambo, op. cit.
38. See Stokely Carmichael and Charles V. Hamilton, "The Myth of Coalition," in Edward S. Greenberg, et al., op. cit., pp. 71-88.
39. Interview, Lawrence Coggins, op. cit.
40. Harold Kaplan, op. cit. attributed Turner's "success" with black Newarkers to the fact that he appealed exclusively to the poorest and least informed, new migrants from the South. By contrast, the black middle classes and expanding 'natives' were much less receptive to the Turner style.
41. Porambo, op. cit. suggests Addonizio was 'grooming' West as his successor and Newark's first black mayor.
42. Howard W. Hallman, Neighborhood Control of Public Programs, pp. 58-59.
43. Ibid. Much of the initial structure planned under the leadership of Kenneth Clark, who served as chief project consultant to HARYOU, was repeated with modification in Newark. The HARYOU project, funded by the president's Committee on Juvenile Delinquency, was largely shifted in its citizen participation emphasis following a power struggle and takeover by Congressman Adam Clayton Powell, then the powerful chairman of the House Committee on Education and Labor. For some thinking behind the initial concept, see Kenneth Clark, Youth in The Ghetto, Harlem Youth Opportunities Unlimited, Inc., New York, 1964.
44. Hallman, op. cit., p. 60. He suggests further that the highlight of the program came in 1966 when 1,000 residents went to Washington to support legislation to continue OEO; the mobilization and turnout

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he attributes to the area boards and delegate agencies.

45. Ibid.
46. Report for Action, p. 94.
47. Ibid.
48. Op. cit., p. 92.
49. Op. cit. p. 94.
50. Report for Action, op. cit., p. 91.
51. Ibid. According to the Commission interview with Odom, before any of the program's objectives were mentioned, Addonizio's first words were about 'job slots. See Report for Action, p. 185.
52. Op. cit., pp. 185-186 (note 16).
53. Report for Action, op. cit., p. 91.
54. Report for Action, op. cit. This source emphasizes that there were 84 blacks on the Board of Trustees out of a total of 114, while the Board of Education had three blacks out of nine members, the next highest percentage of Newark organizations when Newark's population was at least 52%
55. Hallman, op. cit., p. 60.
56. Report for Action, op. cit., pp. 19 and 92 suggests that throughout the program Congressional actions threatened the "vitality and future of local community actions...the unpredictability of funding levels and of operating guidelines have complicated planning, necessitated budgetary shifts and made it difficult to recruit outstanding professionals." The report goes on to suggest, based on its findings, that the program was seriously 'starved' for resources for management particularly over its own funds, and cites testimony from Francis Quillan, Vice-President of the Prudential Insurance Company and a treasurer of the UCC board of trustees. The report found further that at the same time extraordinary standards were applied to the organization and 'efficiency' in organizational and managerial terms subsequently became the prime attack point for OEO administrators.
57. Report for Action, op. cit., p. 91.
58. Ibid.

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59. Hallman, op. cit., p. 63.
60. Report for Action, op. cit., p. 185 and Hallman, op. cit. p. 64.
61. Hallman, op. cit.
62. Report for Action, p. 10.
63. Op. cit., p. 15.
64. Ibid.
65. Ibid.
66. Ibid.
67. Interview with Lawrence Coggins, Director of Community Organization, City of Newark, October 1973.
68. Primary results were as follows:
- | | | | |
|-----------|--------|------------|-------|
| Addonizio | 45,922 | Castellano | 9,819 |
| Carlin | 18,917 | Bontempo | 2,001 |
| Gibson | 16,246 | King | 1,081 |
- Fred Barbaro, "Political Brokers," Society, Sept./Oct., 1972, p. 45.
69. Report for Action, op. cit. p. 12.
70. Ibid.
71. Ron Porambo, op. cit., p. 329.
72. Ibid. Two other black candidates, George Richardson and Harry Wheeler, both of whom had served in various capacities in and out of city government, boycotted the Convention, accusing its organizers and participants of setting it up as a vehicle for Gibson's nomination, p. 330.
73. Op. cit., p. 340.
74. Ibid. See also, Barbaro, op. cit.
75. Barbaro, op. cit., p. 50.
76. Ibid. See also Porambo, op. cit., p. 334.
77. Porambo, op. cit., p. 330. Porambo points out Richardson had assisted Gibson in forming the Business Coordinating Council, was

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- a founder of the United Community Corporation, the city's anti-poverty group and helped found the Greater Newark Urban Coalition. While he was personable, involved in community affairs and had political know-how, Porambo suggests he had offered himself for sale by looking the other way for slumlords and trading his State Assembly vote to the corrupt Kenny machine of Jersey City. A number of black leaders of national reputation, including Shirley Chisholm, Herman Badillo, Ossie Davis and Gary mayor Richard Hatcher attempted to dissuade Richardson and Harry Wheeler, another black candidate, from running to 'split' the minority vote without success.
78. Barbaro, op. cit., p. 47.
79. Op. cit., p. 46.
80. Report for Action, op. cit., p. 14.
81. Barbaro, op. cit., p. 51. Barbaro reports Caulfield and his wife were shoved and kicked on many joint appearances with Gibson by angry whites. It is not clear how much Caulfield's endorsement contributed to Gibson's final victory; however, gains in the West and East Wards can be attributed in part to Caulfield.
82. Ibid.
83. Ibid.
84. Ibid.
85. While the Federal Bureau of Investigation and the U. S. Department of Justice had considerable evidence, painstakingly collected from the early 1960's on organized crime connections in city and state government in New Jersey -- including Addonizio, presented much later to Grand Juries in the wake of civil disorders -- and a great deal of 'common knowledge' over sale of contracts, kickbacks, extortion, etc. among members of the business community in Newark collected by investigators in the Justice Department and the state Commission on Civil Disorders, curiously, it took racial disorders of 1967 and 1968 to bring these men to trial.
86. Prior to the mid 1960's, the word 'community' was rarely used by black leadership and hardly in everyday usage; it is today on almost any street corner in any black area. It generally seems to designate the sociological definition of 'community,' denoting social structure and organization beyond geographic boundaries, but also incorporated a notion of shared values of black solidarity.

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1. Report for Action, p. 30. The state cannot be resolved from responsibility for Addonizio's deficit spending pattern which characterized his second term, as well as his failure in enforcing civil service rules, anti-discrimination in hiring and contracting, etc. Particularly on the budget side, the state Division of Local Governments is legally responsible to review both spending and tax plans before approval of the local ordinance. Failure to review and halt budget plans with glaring and visible inaccuracies by the state can only be viewed as 'political' decisions not to intervene. See also Robert Curvin, "Black Power in City Hall," Society, Sept./Oct., 1972 for one view of the state role under the transition government in Newark.
- 1A. See Harold Kaplan, Urban Renewal Politics for a review of the charter reform movement and commission governments in Newark during the 1940's and 1950's, Chapter 3, pp. 39-60.
2. Report for Action, op. cit.
3. Councilman Dennis Westbrooks, among others, was particularly critical of the appointment throughout his two terms; he felt strongly that the office should be symbolically held by a black and fought strongly for the appointment of the subsequent director Kerr. On the other hand, he admitted along with other blacks privately that Redden had done a good job and that Kerr, without strong traditional 'respect' through seniority in the system by the senior Irish officers -- particularly those like Redden, anxious for an end to the Italian-Spina system -- was largely ineffectual. Interview, October 1973.
4. Legislative references are contained in NJSA 40A:4-32 "Local Budget Law." Administrative directives to localities, comprising suggested budget format for submission, etc., are issued annually by the New Jersey Department of Community Affairs. See "Budget Manual for New Jersey Municipalities, Division of Local Government Services, State of New Jersey, Department of Community Affairs, Trenton, 1973.
5. Interview, Louis Neeley, Budget Director, City of Newark, August, 1973.
6. N.J.S.A. 40: 69A: Title 40 Revised Statutes.
7. 'Temporary tax' authorizations were made during 1970 for a three year period, subject to legislative renewal, for several new taxes, including a payroll and parking tax. The temporary action tends to work havoc with local fiscal planning, since each renewal is made uncertain by political predictions of legislators that the renewals will

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- be refused. In 1967, the New Jersey state legislature 'removed' business personalty as objects of taxation by local governments and replaced them with a stable 'flat grant'. More recently this blow has been softened by the initiation of a state urban grant. The larger older localities were those most hurt by the removal of personalty tax.
8. See "Fiscal Analysis of the City of Newark," First National Bank of Boston, 1966.
 9. New Jersey Local Government Laws are found in N.J.SA 40: 69A; Title 40 Revised Statutes. Examples of the special permissions abound, from Urban Renewal to Office of Economic Opportunity grants. Most take the form of enabling legislation permitting localities to receive funds and implement programs. Localities are also required to file or report funds received in annual budget statements.
 10. Formulas may become highly controversial, or not, depending on the particular issue. Some long established, such as the school aid formula, are relatively less controversial than 'urban aid' which is directed to poorer cities, or the highway aid formula, which can redistribute (based on gas tax collections) from the poorer localities with the most streets to the richer localities with fewer streets. This formula has been fought strongly, according to a Newark spokesman, on grounds that mileage or use factors are more equitable than the current 'flat grant' per locality, which measures neither use nor local costs of a larger share of regional highway facilities.
 11. Robert Wood, 1,400 Governments, Harvard University Press, 1961.
 12. On this point, see Dick Netzer, Economics of the Property Tax, Brookings, 1966, Chapter, IV, pp. 86-116.
 13. Interview, Louis Neeley, Budget Director, City of Newark, October, 1973.
 14. There are multiple cases of actions defended on these grounds during the budget hearings of 1973. Typical was the response in an interview with the then budget director, during the cycle. In response to an inquiry regarding the city's capital replacement plan and borrowing -- at the time the city was considerably below its debt service limit -- the budget director responded "borrowing was mortgaging the future" and further that one could not be flexible in replacement because of the state's constraints.
 15. Harland Bartholomew and Associates, "A Postwar Construction Program for Newark, New Jersey, op. cit.

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16. See Arnold Meltsner, Politics of Revenue, Chapter 1, for this view.
17. Classic cases are available in New Jersey, as in other states for the removal of considerable taxing authority during the post-war period from localities on various grounds of efficiency, equity, etc. In fact, however, as the New Jersey Tax Commission reported in 1971, the removal was piecemeal, probably had much to do with needs for state support itself, and was riddled with special interests influence such as veterans, the elderly, certain types of capital intensive businesses, etc. There has been no systematic reorganization of the state's tax system for over thirty years and current court challenges while producing numerous plans, have failed both with voters and the state legislature.
18. A good case is represented by the 'business personalty replacement' tax which was shifted to the state in the mid 1960's, but which rate remained unadjusted to growth which was absorbed by the state itself. See First National Bank of Boston, "Community Renewal Program: Fiscal Analysis," 1966, op. cit., p. 14 for an evaluation of state assessment changes.
19. Newark City Charter, Title IX, Sec. 2.87 as amended.
20. Interviews, Louis Neeley, op. cit. and Dennis Westbrook, op. cit. For the effects of dispersal of authority through use of Boards of Estimate and elected Controllers, see Wallace S. Sayre and Herbert Kaufman, Governing New York City, Chapter 18.
21. The council may overrule dismissal by a 2/3 vote of the body.
22. Most changes are fairly marginal in nature, but two cases occurred in the early 1970's under Gibson, one involving restoration of a recommended elimination of a nursing home, which the state later shut down on health grounds and one involving restoring employees eliminated when the new Parks and Recreation Department was created. In the later case, the administration 'dismissed' the employees anyway when they refused retirement -- most were over 65 -- and in a court challenge instituted by the employees won when the court decided they were too old to climb trees.
23. Interview, Neeley, op. cit.
24. Such was the case with OEO funds, with Housing Grants under Addonizio reported in Report for Action, op. cit., p. 90 and with the Department of Transportation T.O.P.I.C.S. program, a local traffic management grant-in-aid.
25. Howard Kaplan, Urban Renewal Politics, op. cit., pp. 39-46.

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26. Interview, Sam Shephard, op. cit.
27. Interview, Kenneth Joseph, Assistant to the Business Administrator, July 1973.
28. Ibid.
29. See Harold Kaplan, op. cit., Chapter 3, pp. 33-60 for a view of traditional backgrounds of Newark's political leadership and pp. 61 and 62 for views on the lack of interest of Newark's business elite. In the latter, case, Kaplan suggests, "Throughout the 1940's the city's corporation executives, lawyers, realtors and educators fled Newark for suburban residence. While this exodus of upper income, white Protestants is by no means unique to Newark, it seems to have been accompanied by an extreme case of political withdrawal. The result has been a chasm between the city's former civic leaders...and the politicians, the neighborhood associations, the ethnic societies, the small merchants' groups and the Catholics...", p, 61.
30. Under Addonizio, the Council's approval record for appointments was reportedly good but several local shares for Federal grants-in-aid were disapproved, notably for the poverty program, housing inspections and traffic management. Under Gibson, the Council systematically disapproved appointments, including a Police Director, Director of Health and Welfare and Parks and Recreation. By the latter part of Gibson's first term, however, the Council shifted somewhat; at one meeting, the then council president Turco suggested to a city employee complaining about budget cuts which resulted in losses of jobs, 'the Council had no authority in the matter and that it was an administrative decision', although the council does have some authority to restore cuts. Interviews, Louis Neeley, Budget Director, August 1973 and Councilman Dennis Westbrook, September, 1973. See also Manual of the Municipal Council of the City of Newark, New Jersey Amended: "Charter Laws," Title 46 for limits of council authority.
31. Interview, Councilman Dennis Westbrook, October 1973.
32. For a description of the evolution of key administrative functions in Newark under Carlin and Addonizio, see "An Administrative Study of Agencies Concerned with Urban Renewal in Newark, N.J." prepared for the Community Renewal Program of the City of Newark by the Benter for Urban Research, Seton Hall University, South Orange, New Jersey, 1968.
33. Interview, Kenneth Joseph, Assistant to the Business Administrator, August, 1973.
34. Interview, Kenneth Joseph, op. cit.

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35. Touche Ross and Co., "Operations Review: Department of Public Works," Newark, New Jersey, December 1970.
36. Interview, Gregory Smith, Budget Examiner, City of Newark, August 1973. Much of this 'servicing' function was visible during the budget cycle meetings for preparation of the 1974 budget; the Police Department chief clerk, for example, was surprised when informed that the city Purchase Department had responsibility for advance costing of inventory of office supplies, for duplication and printing and for maintaining inventories of equipment, furnishings and common office supplies. Other operating departments insisted that the purchasing department 'never maintained inventories of furniture', though in fact the department did, presumably for citywide use.
37. Report for Action, op. cit., pp. 7 and 8. One exception was the Budget Officer, referred to earlier, a black accountant who was passed over for an appointment as Secretary to the Board of Education by Addonizio in favor of a white political ally.
38. Interview, Kenneth Joseph, op. cit.
39. Booz-Allen Public Administration Services, Inc., "Final Report: Preliminary Study of Major Planning Units in the City of Newark," Mayor's Policy and Review Office, Newark, New Jersey, January 31, 1973.
40. Op. cit., p. 7.
41. Interview, Cornelius Bodine, Business Administrator, August 1973. Bodine's conceptualization of his role in this interview was largely as providing policy leadership, or a strong managerial veto over the mayor. He suggested that the city's problems lay in the hostility of the mayor and other key actors to 'business interests', with whom they had little rapport. He appeared very reluctant to recognize the problem of poverty and blacks in Newark, the ethnic distribution of power, or the Italian coalition of interests in the Council.
42. Interview, Kenneth Joseph, op. cit. Joseph further suggested that Bodine's ambitions lay with officeholding with the professional organization of city managers, the International City Manager's Association (ICMA) in which he was very active. Bodine was screened and chosen by a group of corporate interests in Newark, including the president of Prudential Life Insurance Company during the period of transitional government in Newark in 1970. The corporate choice of the business administrator for the city was a compromise reached between Gibson and corporate leadership during that period and the Newark Chamber of Commerce contributed a portion to increase the position's salary to attract a good man and get around the city council. As a result of this latter agreement, the business administrator actually earned more than the mayor.

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43. Interview, Howard Gary, op. cit.
44. Notable was Public Works Department reforms of several types which were dropped when the Business Administrator initiated his 'management by objectives' program.
45. Interview, Gerald Harris, Director, Newark Institute, July 1973, and "Final Report: Preliminary Study of Major Planning Units in the City of Newark," Booz-Allen Public Administration Services, Inc., Washington, D.C., January 1973.
46. Ibid. Notably accounting, planning and some policy and programmatic planning normally assumed by operating service units.
47. According to the ethnic census undertaken by the Human Rights Commission of a total of 474 persons employed in 1971 by CDA, 387 were black or Hispanic and most of the supervisory and managerial staff were minority.
48. The Federal grant system was initially consolidated under a program called 'Planned Variations', a Model Cities based demonstration in which Newark was one of a few cities selected in the U.S. in 1971. Subsequently in 1973 and 1974, Department of Housing and Urban Development grants (the core of Model Cities and Planned Variations) were collapsed along with various urban renewal and housing programs (administered previously by the Newark Housing Authority) into the Community Development Revenue Sharing program.
49. According to the Touche Ross Report, "Operations Review," op cit., many of the salaries and wage scales paid in Public Works, substantially exceed prevailing wages in similar categories in the region, particularly when overtime, 'change in rates' (special penalties paid for workers doing the work of the next highest title) and benefits are taken into account. Requirements for employment in blue collar jobs are very low and high school diplomas were not required for employment for many years in categories of work such as sanitation, sewers, streets and building trades.
50. In 1974, for example, the director of public works, with a high school diploma earned \$26,500 compared to the corporation counsel, a Yale Law degree holder who earned \$28,000.
51. Interview, Gregory Smith, op. cit. (symbolically, prior to 1970, there was no single, consolidated 'executive budget' document, but rather a series of spending unit budgets.
52. One observer, Gregory Smith, op. cit., suggested he didn't understand why much of the department's activities wasn't located in Public Works, since there was so much in common with both staffs.

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53. Robert Curvin, "Black Power in City Hall," Society, Sept./Oct., 1972, p. 56.
54. Interview, James A. Buford, Director of Health and Welfare, City of Newark, October 1973.
55. Interviews with David Witcher, Criminal Justice Planning, City of Newark, October 1973 and Councilman Dennis Westbrooks, October 1973.
56. Joseph Conforti, "Newark: Ghetto or City?", Society, Sept./Oct. 1972, p. 26. Gustav Heninberg, president of Newark's Urban Coalition, was instrumental in organizing confrontations with public authorities over construction from the mid-1960's onward through to the shutdown of the N.Y.N.J. Port Authority New Airport expansion during the 1970's.
57. Interview, Charlotte Adams, Assistant to the Director, Newark Human Rights Commission, September 1973. Newark initiated a special Construction Compliance Office in 1973 for implementing an affirmative action plan.
58. Interview, James A. Buford, op. cit.
59. Interview, Dennis Westbrooks, op. cit. Then Councilman Westbrooks, however, conceded that gaining a council vote of approval on Newark's first black police director, Edward Kerr, was very difficult and took fully two months.
60. Ron Porambo, op. cit. See pp. 370-381 for a description of the shift in composition of the Board of Education and teachers' strike of 1970. The 1970 strike seems properly identified as an extension of the strike the previous year and the 'unworkable' settlement by Addonizio, which effectively stripped the Board of control over the workforce in the schools and forced an illegal deficit on the city budget (not approved by the State) of around 4.5 million dollars. Quite correctly, the Newark Board of Education in 1970 decided the contract should be renegotiated at its expiration date. The teachers, however, sensing a struggle with the new board, walked out even before negotiations began. The teachers were supported only by the Italian parents (many of whom shut the schools), and the courts found them guilty of contract violations, fining each teacher \$3,000 in salary.
61. Ibid.
62. Ibid.
63. Porambo, op. cit., pp. 394 and 395.
64. Interview. The complaint bureau, ACTION, was set up in the Mayor's

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office, and in storefronts around the city to take complaints about city services, housing, etc. Many of the complaints were in the sanitation area. When questioned about the complaint system for sanitation, the public works director suggested that most came from the Mayor's office, but added that the blame lay not with the sanitation department, but with the people themselves.

65. Interview, Ira Jackson, Aide to the Mayor, Newark, New Jersey, April 1972. A report was subsequently published containing the highlights of investigation findings, which, however, reportedly skirted some of the legal questions pending decisions on the receivership.
66. Porambo, op. cit., p. 354 (see also Curvin, op. cit., p. 56.
67. Curvin, op. cit., p. 56.
68. Ibid.
69. Ibid.
70. Ibid. During the first two years of Gibson's first four year term, the council was composed as during Addonizio's administration of six Italians and three blacks.
71. Between 1960 and 1970, the city lost 3.43% of its real property assessed valuation while additional categories of taxable property -- personal property notably -- were reclassified by the state.
72. Under New Jersey State law, for example, the city must budget annually the equivalent to the preceding year's delinquent taxes; in 1971's budget this amounted to around 5.0% of the budget.
73. Porambo, op. cit., p. 356.
74. Ibid. According to Porambo, Donald MacNaughton, chief executive of Prudential Insurance and chairman of the Chamber of Commerce, refused to endorse an income tax while other businesses and the Chamber were equally opposed to the payroll tax. Only the local press for once supported the Mayor's plea for the income tax. For Prudential's role in Newark, see Clark Taylor, "Newark: Parasitic Suburbs" in Society, September/October 1972.
75. Clark Taylor, ibid. Taylor cites research findings of Robert Curvin on the Bergen-Reiffin Act, passed in the 1940's to relieve business from paying certain kinds of taxes on property owned in Newark in which Prudential and Mutual Benefit Life Insurance companies were in the forefront of lobbying, p. 37.
76. Curvin, op. cit. p. 57.
77. Interview, Junius Williams, op. cit.

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1. The Addonizio administration 'budgeted down' public assistance categorical grants during election years, probably to avoid visible tax rate increases. In 1969, for example, direct assistance was budgeted for 1 million dollars, despite the prior year's expenditure of \$3 million. Under Gibson, by contrast, direct assistance in the city's welfare program (cash grants under general assistance) was budgeted closer to actual expenditures ranging around 3.5 to 4.0 million over the four year period.
2. The museum was budgeted in 1974 for \$850,000, while the library was budgeted for \$2,762,477 of which around 2.2 million comes from city funds, the remainder supplied by state grants. The museum initially operated from a small endowment and continues to raise some funds from fees and voluntary contributions according to the director in comments made during the 1974 budget hearings. The museum is handicapped, however, in that its collection derives its importance from a relatively obscure uniqueness, that of Tibetan art and that there are few public grants in aid available to it to permit expansion into other areas.
3. See Curvin, *op. cit.* and interview with Anton Jungherr, Finance Director, July 1973.
4. These taxes have been much criticized, since they redistribute irrespective of poverty, tax effort or capacity, or the amount collected in a locality. In effect, they appear specifically designed to distribute from the poor to the rich in New Jersey. Notable among them are five major taxes: the replacement for business personality, state sales tax; state railroad tax and state aid for school buildings. In all but the latter case, Newark and other poorer urban areas contribute far more than they receive back through apportionment. For an excellent discussion of this issue, see Report of the New Jersey Tax Policy Committee, Vol. 1, Trenton, 1972.
5. Newark's effective tax on real property had risen to 9.76 per 100.00 of equalized assessed valuation by 1973; only 1.33, however, was for municipal expenditure support; 6.26 and 2.17 went for school and county support respectively. The property tax rate has risen under Gibson, however, by about 2.00 per \$100.00 assessed valuation. Most of the increase, however, has been absorbed by school budget increases. Between 1971 and 1973, municipal and county expenditures increased by about 12 per cent while school spending increased by 21 per cent.
6. See Curvin, op. cit. and Jungherr, op. cit.
7. Federal grants were used to supplement staff salaries in top administrative positions and much of the support for the planning department

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- and for aides in the Business Administrator's Office came from Federal grant sources. Interview, Louis Neeley, Budget Director, op. cit.
8. Curvin, op. cit.
 9. Gregory Smith, Interview, op. cit. and Interview, Kenneth Joseph, op. cit. According to Joseph, an assistant to the business administrator who prepared the Health and Welfare Departments Management by Objectives plan and reorganization program, the council's continued refusal, either to approve closing of the nursing home, or approve appropriations to fix it up, was entirely without any ground and ultimately forced the State to close down the facility. He suggests the mayor may have welcomed state intervention, given the absurdity of the council stand.
 10. Ibid.
 11. The facility, which is structurally deficient, still carries budgeted personnel of around \$120,000 -- in the Health Budget -- devoted to 'maintenance,' because of council opposition to dismissing of these mainly blue collar Italian employees.
 12. Curvin, op. cit.
 13. Interview, Sam Shephard, Mayor's Aide, October 1973. This was the case, according to Shephard, with 'dismissal' of Parks and Recreation staff, with the nursing home -- where many workers had been transferred from the City Hospital, when the state refused to rehire them because of qualifications -- and with the general 'retirement' problem in the city. For a fascinating view of the blood and marriage relationships among Italians in New City government, see a narrative account based on FBI tapes recorded at the hideout of reputed cosa nostra leader Ray de Carlo, Henry Zeiger, The Jersey Mob, chapters 1 and 2.
 14. In 1970, Parks and Grounds and Baths and Pools maintenance constituted separate divisions, while Recreation programs were organized under the Director's Office. There was limited overall program development, and the largest part of the allocation went to the two former activities.
 15. Touche Ross & Co., "Operations Review," op. cit., p. 40. An additional 200 persons were added to summer staff for recreation centers.
 16. Sam Shephard, Interview, op. cit.
 17. Sam Shephard, op. cit. See also Touch Ross and Co., op. cit., pp. 43-46. According to Shephard, a substantial proportion of the

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workers were over 70 years of age. The Touche -Ross Study generally confirms the low productivity of the city compared to other cities; one reason suggested was the city maintenance of trees for utility rights of way, which was legally the responsibility of the private utility companies. The report suggested it has been done by 'habit' over the past 20 years, rather than by any legal responsibility grounds.

18. Sam Shephard, ibid. According to Shephard, the judge ruled in favor of retirement, after the workers were unable to demonstrate they could actually climb and trim trees, a basic requirement for the job. The Council, however, opted for a more gradual retirement plan over several years.
19. Ibid.
20. Ibid.
21. Memo, "Racial Breakdown of City Personnel," Newark Human Rights Commission, 1973.
22. Interview, Sam Shephard, op. cit.
23. Interview, Charlotte Adams, Newark Human Rights Commission, September 1973. According to Miss Adams, while a primary motivation to the office was the affirmative action program on construction projects, a later named 'construction coordinator' would be more likely to be involved with implementation of construction site integration in the city.
24. For a fascinating description of the contracting system on public works projects in Newark, see Henry Zeiger, The Jersey Mob, New American Library New York 1975, comprising a transcription by the author of the FBI tapes of syndicate leaders recorded between 1964 and 1967, and made part of the court record in the case of the U.S. v. De Carlo and others.
25. Many of the so-called engineering categories of work in Public Works were actually 'aides', 'assistants', etc., a system which permitted advancement of persons without engineering training to higher salary and work categories. Interview, Lloyd McKessey, manager, Bureau of Streets and Sidewalks, October 4, 1973.
26. In fact, however, employment allocated to the agency more than doubled in its first two years.
27. Interview, Howard Gary, Assistant to the Mayor, Newark, New Jersey, October 12, 1973. Gary and others suggested that there was common understanding that both units would be 'small' in overall budget terms. Nonetheless, how large either or both ultimately become

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according to most observers will depend on momentum generated particularly during the initial five year period.

28. Interview, Gregory Smith, op. cit.
29. Interview, James Buford, Director, Health and Welfare, October 26, 1973.
30. Ibid. According to Buford, the state was increasingly shifting the burden for expanded testing programs to the city and further demanding the city submit samples and results in Trenton, rather than by report summaries.
31. In functional terms, there was and remains considerable overlap in the consumer area between health inspectors and inspections inspectors, with no real distinction visible. One observer suggested that the real distinction was that one (inspections) was a 'public works' style operation, while the other was a 'health style' operation.
32. Leonard Duhl, op. cit.
33. Gregory Smith, Interview, op. cit., August 17, 1973.
34. Ibid.
35. Ibid. This agreement, to assist the city in meeting budget deficits of 1970 and 1971, involved retroactive payments for budgeted deficits in the health institutions budget for prior years. In 1970, the deficits were running approximately \$8 million annually.
36. Interview, Kenneth Joseph, op. cit. See also Kenneth A. Joseph, "Health and Welfare Department: Goals and Objectives 1972-73," Newark, New Jersey.
37. Ibid., pp. 11-15.
38. Gregory Smith, Interview, op. cit.
39. James Buford, Interview, op. cit.
40. Interview, Gregory Smith, op. cit.
41. Ibid.
42. Kenneth Joseph, "Health and Welfare Department Goals and Objectives 1972-73. Generally and in line with other social services units in

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the nation, according to Joseph, the notion was to shift the public assistance units emphasis from 'counselling' to more of a check-writing operation, which would have the budgetary impact of reducing professional labor requirements, but increase the unit's responsibility for systematic means tests and accounting. In the case of inspections division, the general direction was less well defined principally because of the complex range of functions, the influence of federal grants -- particularly in code enforcement, and environmental sanitation areas such as vermin control, lead poisoning, etc. -- and the inability to establish priorities.

43. Report for Action, op. cit., pp. 22-42.
44. Ibid.
45. Interview, David Witcher, Criminal Justice Planning, September 4, 1972. According to Witcher, several persons contacted out of town turned down the job and at least three blacks in Newark refused following Redden's resignation.
46. Ibid. See also Porambo, op. cit. Both Witcher and Porambo suggest that Redden's personality was a 'hard, cold and egotistical one,' but probably the only one capable of operating in the police department and Newark at the time.
47. Witcher, op. cit.
48. Interview, Thomas Pritchley, Inspector, Head Newark Tactical Squad, September 20, 1973 (Pritchley suggests that one of the important functions of the tacticals was monitoring -- particularly in external behavior -- police behavior in the community, and undercutting potential police riots or participation in community demonstrations, etc.
49. Report for Action, op. cit., p. 24 and Newark Human Rights Commission, "Racial Breakdown of City Personnel," 1973.
50. Witcher, op. cit. The planning thrust was one geared less to the internal police discipline problems than external coverage and police distributional problems, or the type of programming attempted in New York City by N.Y.C. Rand and the Mayor's office under Lindsay. For a good critique of the Rand operations and failures see
51. Witcher, op. cit.
52. Ibid. According to Witcher, Redden resigned several times but each time was persuaded to return by Gibson. The final resignation, however, had to be accepted owing to the tension over a housing project,

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- Kaiwieda Towers, which had generated a community conflict, exacerbated by the presence of substantial numbers of off duty policemen. The situation became impossible to control and public opinion literally forced the Mayor to accept Redden's responsibility for failure to keep order during the demonstrations. The next police director, a black captain on the force, proved largely incapable of establishing order and finally was removed after a year and replaced by the present director, a black with considerably more forcefulness.
53. Pat Lauber, "Gibson and Newark: 1,000 Days," Newark!, May 1973.
 54. Interview, Neeley, op. cit.
 55. Interview, Gregory Smith, op. cit.
 56. Interview, Ronald Woodford, Budget Examiner, October, 1973. According to Woodford, a key problem with the categorical grant system was the different pay periods, which corresponded poorly to city tax and budget periods and represented mainly whim of particular grantors; this forced continuous advance 'drawdowns' on the general fund, and increased need for short term borrowing.
 57. During 1973 budget hearings, there was considerable discussion of the problems of integration of federal employees to the city payroll, benefit and civil service classification system. Federal grants generally provided for superior hospitalization benefits, but paid no retirement though pay scales were generally higher. Many differences of course reflected the city's own fragmented benefit system in which differentials are great among employee work categories.
 58. The director, Junius Williams, challenged the mayor's assistant business administrator over intervention and hiring policy in CDA, and what Williams perceived as 'patronage' purposes overruling qualifications. One particular position Williams felt strongly about was an information systems planner, whom he had found a qualified candidate. Conflict issued when another candidate was identified and the mayor backed the assistant business administrator. Williams suggest in an interview it was more than an isolated incident or misunderstanding, but rather, a conflict over what was best for the city in developing an agency which reflected strong technical-planning orientation where this was required. Interview, October 1973.
 59. For a critique on MPDO changes and effects of categorical grants, see Booz-Allen Public Administration Services, Inc., "Preliminary

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Study of Major Planning Units in the City of Newar," Washington, D.C., January 31, 1973.

60. Actually, Model Cities, Planned Variations and Community Development Revenue Sharing could be considered from the city's administrative perspective quite separate programs, with separate implementation guidelines, criteria, etc.
61. City Charter of the City of Newark, New Jersey, op. cit. In 1974, this comprised city departments of Public Works, Police, Fire, Finance, Business Administration, Parks and Recreation, Law, and Health and Welfare.
62. In the case of the Board of Education and Housing Authority, these are citizen boards with overlapping 6 to 8 year appointive terms with authority to select administrative directors of the agencies; there are inevitably lags in changing composition and difficulty in shifting directors. Board of Education shifts and top administration changes were undertaken more quickly than in the Housing Authority, primarily because composition of the board had changed prior to the Gibson election and pressures were stronger on the education system itself through the board. Community pressures on the Housing Authority utilized Federal, State governments and the courts far more than the institution itself.
63. Newark City Charter, op. cit., Article 39.
64. Ibid. The Charter states "Department heads shall appoint subordinate officers and employees within their respective departments and may, with approval of the mayor, remove such officers and employees subject of the provisions of the Revised Statutes, Title 11, Civil service...."
65. Interview, Sam Shephard, op. cit.
66. Ibid.
67. Ibid.
68. Ibid. While theoretically department heads have authority to appoint chiefs of bureaus and division heads, the Public Works Director retained several from Addonizio in key areas. Further, much of the administrative control continued to be fragmented to lower levels and little in the way of a central administrative staff developed. The weakness of the director was further visible in domination of the department by the sanitation manager, who was eventually named 'deputy assistant to the director', a man equally lacking in administrative interest or background. These impressions are based on interviews with head of public works, Sam Friscia, and the sanita-

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- tion manager, William Tedesco, as well as observations during budget hearings on Public Works during the 1973 budget cycle.
69. One exception was William Walls, appointed as corporation counsel from a position gained during the Addonizio administration as a municipal court judge. Walls, however, was not an associate of Addonizio, but rather a black lawyer recruited to satisfy demands for integration of the court system in the city.
 70. Interview, Charlotte Adams, Assistant to the Director, Newark Human Rights Commission. One primary complaint was the very slow speed of integration in the fire department which lagged far behind other divisions in the city. While the Newark Police Department increased the proportion of nonwhites between 1971 and 1973 from 11.9 to 27%, the fire department's beginning level was lower at 4.3 in 1971 and was only raised to 4.7% by 1973.
 71. Interview, Howard Gary, Assistant to the Business Administrator, op. cit. Gary suggested that Public Works represented the best example of 'mayoral undercutting' in the city because of entrenched power interests. See also Robert Curvin, op. cit. for assessments of the general problem of racial hostility in Newark.
 72. Sam Shephard, Interview, op. cit.
 73. Interview, Dennis Westbrook, Newark City Councilman, op. cit. Westbrook, who as a councilman was privy to internal meetings over appointments suggested that spoils, bargaining and deals dominated behavior of the Italian members, making reasonable compromise impossible since there was little available to give out under Gibson.
 74. Interview, Junius Williams, Former CDA Director, September 1973.
 75. Interview, Gregory Smith, Budget Examiner, op. cit. (Smith, a young white M.P.A. recruited in 1970, suggested his motivation like that of others was to work for a black mayor in a situation of dire social need. His disillusion, he suggested, was similar to that of others; the traditional civil service, hostility to the mayor, lack of commitment on the part of top staff, general disorganization, and the failure for any change to the 'system', all eroded his interest in continuing in the city.
 76. Interview, Kenneth Joseph, Assistant to the Business Administrator, op. cit.
 77. Ibid. One clear case was the recruitment of an inexperienced budget director -- who was later dismissed -- while overlooking a black experienced in budget planning who had been recruited for a position of assistant business administrator.

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78. Approximately 60% of the Public Employment Program employees were scheduled to be added to the city payroll during 1974, according to departmental budget requests. The impact was minimal, however, since most added workers replaced normal attrition and came in at lower salary scales.
79. Interview, Cornelius Bodine, Business Administrator, op. cit.
80. See John Cunningham, Newark, op. cit., New Jersey Historical Society, Newark, 1966, p. 226. See also Leo Troy, Organized Labor in New Jersey, pp. 40-60.
81. Much of this influence flows historically from state laws which established considerable state legislative control over municipal police in larger jurisdictions -- i.e. class 'A' cities, over specific population, frequently to include the two largest, Jersey City and Newark -- possibly to back interests both of local business elites and rural populations over urban community populations during large scale immigrations beginning in the last century. In post-war years, however, the fraternal organizations became active in lobbying along with veterans' groups for special benefits such as veterans' preferences in hiring, pension plans, resident (and now non resident) requirements. Many of these trends are visible in the layering of state laws.
82. Interview, Howard Gary, op. cit.
83. See Porambo, op. cit., pp. 370-381 on the 1970 teachers' strike.
84. Interview, Howard Gary, op. cit. and Cornelius Bodine, op. cit.
85. Robert Curvin, op. cit. In 1971, according to the Newark Human Rights Commission census data, around 8-% of the administrative and clerical staff were white.
86. Interview, Cornelius Bodine, op. cit.
87. Interview, Lloyd McKessey, Manager, Division of Streets and Sidewalks.
88. Interview, Howard Gary, op. cit. One example is the 1971 contract with a Teamster's local for the sanitation workers, where an intended 'incentive' program reducing time input and substituting performance was negated by the failure of the division to re-district workers. As a result, some workers worked less time, then were permitted to draw overtime pay assisting workers in heavier workload districts. See Touche Ross & Co., Operations Review, op. cit.
89. Interview, Howard Gary, op. cit.

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90. Report for Action, op. cit., pp. 22-27 gave some estimates, including 25% nonwhites on a teaching staff of 3,500; 11.0% on a police department of 1,300. The report suggested that it encountered extreme difficulties in ascertaining racial breakdowns of employees, including the police. It was not until 1971 that an ethnic census of city employment was undertaken in Newark by the city's division of Human Rights.
91. Interview, David Witcher, Criminal Justice Planning, op. cit. Witcher explained the problem as 'deliberate obstructionism' by police officers of the department.
92. Interview, Charlotte Adams, Newark Human Rights Commission, op. cit.
93. Interview, Alphonso Kittrels, Newark Personnel Director, September, 1973.
94. Interview, Charlotte Adams, op. cit. Also see 20th Annual Report, Newark Human Rights Commission, Office of the Mayor, Newark, New Jersey, 1972.
95. Newark Human Rights Commission; "Racial Breakdown of City Personnel" and "Memo," Charlotte Adams to Daniel Blue, Jr., Executive Director "Racial Breakdown -- Follow-up Survey," March 29, 1973.
96. Compiled from city budget data. There were considerable pressures exerted on division heads to budget in PEP employees, once the program terminated. Theoretically, PEP employees must pass civil service examinations eventually, but hiring proceeded pending examinations.
97. City Budget Data, 1973-1974 budgets.

CHAPTER 6 FOOTNOTES

1. For a good summary of the literature with a particular focus on city budgeting and a case presentation of Oakland, California's budgetary process, see Arnold Meltsner and Aaron Wildavsky, "Leave City Budgeting Alone!" in J. P. Crecine and L. Mascotti (eds), Financing the Metropolis.
2. This was the perception of budget office staff in several interviews. One examiner suggested, "I don't think the mayor really cares about the budget. Of course it's an election year and he has a lot of aides running around...."
3. Interview, Louis Neeley, Budget Officer, op. cit. According to Neeley who worked for the State Finance Office of New Jersey in Trenton, the city's cycle is more elaborate and sophisticated from a public administration perspective than that of the state.
4. See Arnold Meltsner, op. cit., p. 161-185 and John Crecine, Governmental Problem-Solving, Chapter 2.
5. See Municipal Finance Administration, International City Managers Association, Chicago, 1958, chapters 4, 5, pp. 61-142.
6. Interview, Louis Neeley, Budget Director, October 1973.
7. Interview, Anton Jungherr, Finance Director, July 1973.
8. Interview, Kenneth Joseph, Assistant to the Business Administrator, op. cit.
9. Information in this chapter, unless otherwise specifically identified, is based on observations during the budgetary decision process in Newark between June and November 1973 which resulted in preparation of the 1974 Operating Budget for the City of Newark.
10. See Aaron Wildavsky, Politics of the Budgetary Process, op. cit., for a classic description of the budgetary sub-culture in public decisionmaking.
11. This view is expressed in Arnold J. Meltsner and Aaron Wildavsky, "Leave City Budgeting Alone!", in J. P. Crecine and L. H. Mascotti (eds.), Financing the Metropolis, Los Angeles 1970.
12. Interview, Cornelius Bodine, op. cit. Bodine suggested that the business community's interests should be the interests of the city and further implied that the city administration did nothing but 'chase' them out.
13. Interview, Louis Neeley, Budget Director, August 8, 1973.

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14. Comment, Louis Neeley, Budget Director, at a meeting October 1973.
15. Interview, Howard Gary, op. cit., and Kenneth Joseph, op. cit.
16. Ibid.
17. Interview, Howard Gary, October 12, 1973.
18. Interview, James Buford, Director of Health and Welfare, op. cit. Another observer, Judge Hazelwood, head of the municipal courts suggested that the 'pressures' were very heavy from civil service to promote people in house to the chief clerk position.
19. Interview, Gregory Smith, Budget Examiner, op. cit.
20. Interview, Gregory Smith, op. cit. Smith suggested it was his impression that the mayor 'had very little interest in the budget, but did have an interest in getting control over the process'.
21. Interview, Howard Gary, op. cit.
22. Ibid.
23. Interview, Howard Gary, op. cit.
24. Touche Ross and Company, Operations Review, op. cit., pp. 26-34.
25. "Working Draft: Motors Division Department of Public Works, Newark, New Jersey," Administrative Assistance Unit of the Department of Community Affairs, October 1, 1973, pp. 2 and 3.
26. Ibid.
27. "Memo on Cost Analysis of Police Vehicle Leasing," from division of police administration to the Police Director, October 1973. The memo suggested that leasing would probably exceed the costs quoted by the state report of \$275/month and suggested further that there might be no takers. Another argument was the 'special specifications' needed by the police. Very probably loss of control, the existing purchase contracts the police enjoyed as well as scrutiny over specifications were considered a loss.
28. Interview, Sgt. Thomas Prichley, October 1973. During the budget hearings, similar remarks were made by police officials over the 'horse' budget, but a story was then told over a recent backfiring, when a horse purchased by the mounted police from a ranch in southern New Jersey brought into Newark traffic for the first time bolted and jumped over a car badly damaging it and sending the driver into shock. The horse, though a 'bargain' was returned to the ranch.

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29. "Five Year Vehicle and Equipment Plan," Division of Central Purchase, City of Newark, 1973.
30. The remainder of the equipment purchases were consolidated into the city's reorganized capital budget, a five year following plan. The capital program automatically provided for closer scrutiny and evaluation of the scheduling of vehicle replacement, repair schedules, etc. by the budget and finance officer, or user departments, mainly public works and fire.
31. The city's Central Purchase division was an old line Italian dominated unit with a large, undifferentiated clerical staff, and laborers responsible for 'moving' inventory around. There was reportedly little or no managerial system in contemporary terms. Specifications on vehicles and equipment were unknown to the division and in many cases simple purchases -- small equipment, materials, supplies -- were not closely or systematically monitored by the division.
32. Interview, Gregory Smith, op. cit.
33. The general philosophy of the police department is that most of the miscellaneous codes should be available for transferring to discretionary program desired by the top staff. This includes the cameras and other photo equipment, guns and ammunition, communications hardware, furniture, office equipment, etc. An instance of 'error' was an attempt to budget slack consisting of 400,000 worth of uniforms which in fact were scheduled to be paid from a Federal grant. Other uniform allowances cut were for 'civilian' personnel who do not wear uniforms, but who have collected the money anyway over the years.
34. Interview, Louis Neeley, op. cit.
35. Interview, Sam Shephard, op. cit.
36. According to the manager responding to various suggestions about lot cleaning, increases in federal grants for increased services, altering work shifts and implementation of a long planned off-street parking program, nothing really could be done. In response to the problem of the off-street parking program, for example, he suggested that the motorbroom men had refused to be deputized to ticket parked cars to enforce alternate side of the street parking on grounds of 'fears of local irate residents'.
37. Interview, Kenneth Joseph and Louis Neeley, op. cit. Most city participants were in agreement that the council knew and participated little in budgetary review, depended heavily on staff and focussed attention on pet grievances or personnel.
38. Interview, Councilman Dennis Westbrook, November 1973.

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39. Interview, Howard Gary, op. cit.
40. Ibid. Gary suggests that disorganization in the black community accounts for the low sensitivity to the budget and tax matters. He reported that in 1972 Imamu Baraka's group tried to generate some interest by publishing and circulating a community leaflet on the budget, but it generated little interest.
41. Included in addition to the Public Employment Program (PEP) were various union sponsored apprentice programs in Buildings Department and Inspections; the Federal Work Incentive Program for welfare recipients; and some specialized grant-in-aid categorical programs slated for termination. Not all gains in low skilled new employment are represented in the tables following, even for categories represented since budgeted unfilled jobs and attrition also absorbed eligible workers.
42. This is visible in budget office recommended cuts and those recommended by the ad hoc group. Much of the budget office analysis was devoted to cutting, but little justification other than 'impressionistic' inefficiencies were available for support. In the case of the ad hoc group, orientation was much more towards the work organization, identified and fairly visible problem areas where units were somewhat more vulnerable. The pro-forma cuts appeared to gain less agreement from spending units than well identified and controversial spending areas.
43. Interview, Charlotte Adams, op. cit. Without centralization, the new contract office set up in 1973 would have little to work with.

CHAPTER 7 FOOTNOTES

1. See Roger M. Williams, "America's Black Mayors: Are They Saving the Cities?", Saturday Review World, May 4, 1975.
2. Roger M. Williams, op. cit.
3. "Black Voting Age Population," Joint Center for Political Studies, Washington, D.C. 1972.
4. Roy W. Bahl and Alan K. Campbell, "Differential Fiscal Performance in Cities with Large Black Populations," Draft, Maxwell School, Syracuse University, 1975.
5. Roger M. Williams, op. cit., p. 66. See also William E. Nelson, Jr., "Black Politics in Gary: Problems and Prospects," Joint Center for Political Studies, Vol. 1, No. 3, Washington, D.C. for a similar discussion.
6. Ibid.
7. Ibid.
8. Jeffrey Pressmen, "Preconditions of Mayoral Leadership," American Political Science Review, Vol. LXVI, No. 2, June 1972, p. 522.
9. See William E. Nelson, Jr., "Black Politics in Gary: Problems and Prospects," Joint Center for Political Studies, Washington, D.C., 1972.
10. Interview, Larry Coggins, Director of Community Organization, op. cit.
11. Centaur Management Consultants, Inc., op. cit., p. II-23, for future estimates of Newark's job gap. According to this report, Newark's 1970 job gap among nonwhites exceeded 10,000 and given current employment and population workforce growth, may double by the end of the decade. This does not count current 'underemployment' or employment in marginal or seasonal sectors, nor wage-earners who have household incomes below poverty levels.
12. For a review of current challenges to Federal general revenue sharing and new block grants by nonwhites, see Morton H. Sklar, "Revenue Sharing: What Sharing for Minorities?", Focus, Joint Center for Political Studies, March 1975, pp. 4 and 5. For a fuller discussion of economic and income distribution aspects of revenue sharing, see James Hefner and Marguerite Barnett, "Implications of Revenue Sharing for Black Political and Economic Goals," in Review of Black Political Economy, Summer 1972, pp. 74-93.

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