

# A Ten-Point Program To Abolish Poverty

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THE UNITED STATES is rich in material and human resources. In 1968, the gross national product will probably reach \$846 billion; the average income of families will approach \$8,500. Moreover, abundance is growing. In the 1960's alone, some \$350 billion has been added to the GNP, and median family income has risen by about \$2,875. There is every reason to expect that the technological advances now being made will continue, that the Nation's economy will continue to grow, and that average incomes will continue to rise.

Historically, poverty has been the result of inadequate production. This situation still exists in most of Asia, Africa, and South America. The great majority of people on those continents are necessarily poor and will remain poor until there are major increases in the production of goods and services. By contrast, the abolition of poverty in the United States is no longer a problem of productive capacity.

The Nation will have the material resources to eliminate poverty in the coming decade. In addition, there will be sufficient resources to assure the overwhelming majority of Americans (whether at work or retired, whether widowed, orphaned, disabled, or temporarily unemployed) continuing incomes paid as a matter of right—incomes sufficient to assure a modest but adequate level of living, not just enough to meet the very low standard that is used today to define poverty.

In recent years, remarkable progress has been made toward the twin goals of the abolition of poverty and the provision of economic security for all. In 1960, there were 40 million people living in poverty; in 1967 the number was down to 26 million—a decline of 14 million. It appears that by January 1969, the number who are poor will have been reduced to 22 million—18 million less than in 1960 (chart 1).

During this period, improvements in the social security program have brought higher benefit pay-

ments to a great majority of retired older people, widows and orphans, and the long-term disabled. Twenty-four million people—1 out of every 8 Americans—receive a social security check every month. Because of their social security benefits, about two-thirds of these beneficiaries are able to maintain a level of living somewhat above the minimum poverty level. Without their social security checks only one-fourth would be able to maintain this level of living, and only 5 percent would have continuing incomes above the amount needed to maintain what the Department of Labor has defined as a moderate living standard (for an elderly couple, \$3,900 a year). Nevertheless, 8 million social security beneficiaries still live in poverty, even with their benefits.

Yet, substantial progress has been made in reducing the number of the poor, in improving the level of living for people whose incomes are just above the very low level we have called the poverty level, and even in improving the position of those who are still below the poverty criterion.

The reduction of poverty during this decade is attributable to economic growth, to the various measures taken to make it possible for more people to participate in the economy through job training, rehabilitation, and improved educational programs, and to the major improvements that have been made in the social security program.

Nearly 30 percent of the 25.9 million persons counted poor in 1967 lived in households with an aged or disabled person at the head. Most of these people could be moved out of poverty through further improvements in the social insurance and assistance programs. One of the greatest challenges comes in finding solutions for the rest of the poor—those who lived in households where the head worked all year but was still poor or could find work only part of the time or had no job at all (chart 2).

We have, however, not only the resources but also much of the institutional framework to build upon to make poverty a thing of the past and to better the economic security of all Americans. With a comprehensive and coordinated plan, the job of eliminating poverty can be accomplished.

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\* Secretary of Health, Education, and Welfare. This article is an adaptation of a statement to the President's Commission on Income Maintenance Programs, September 13, 1968.

**First: a successful national attack on poverty is dependent on continued economic growth and economic development.**

I believe we could reduce the poverty group from 22 million to about 15 million in the next 4 years with continued economic growth.

**Second: opportunities for work—meaningful, productive, self-supporting work—must be expanded.**

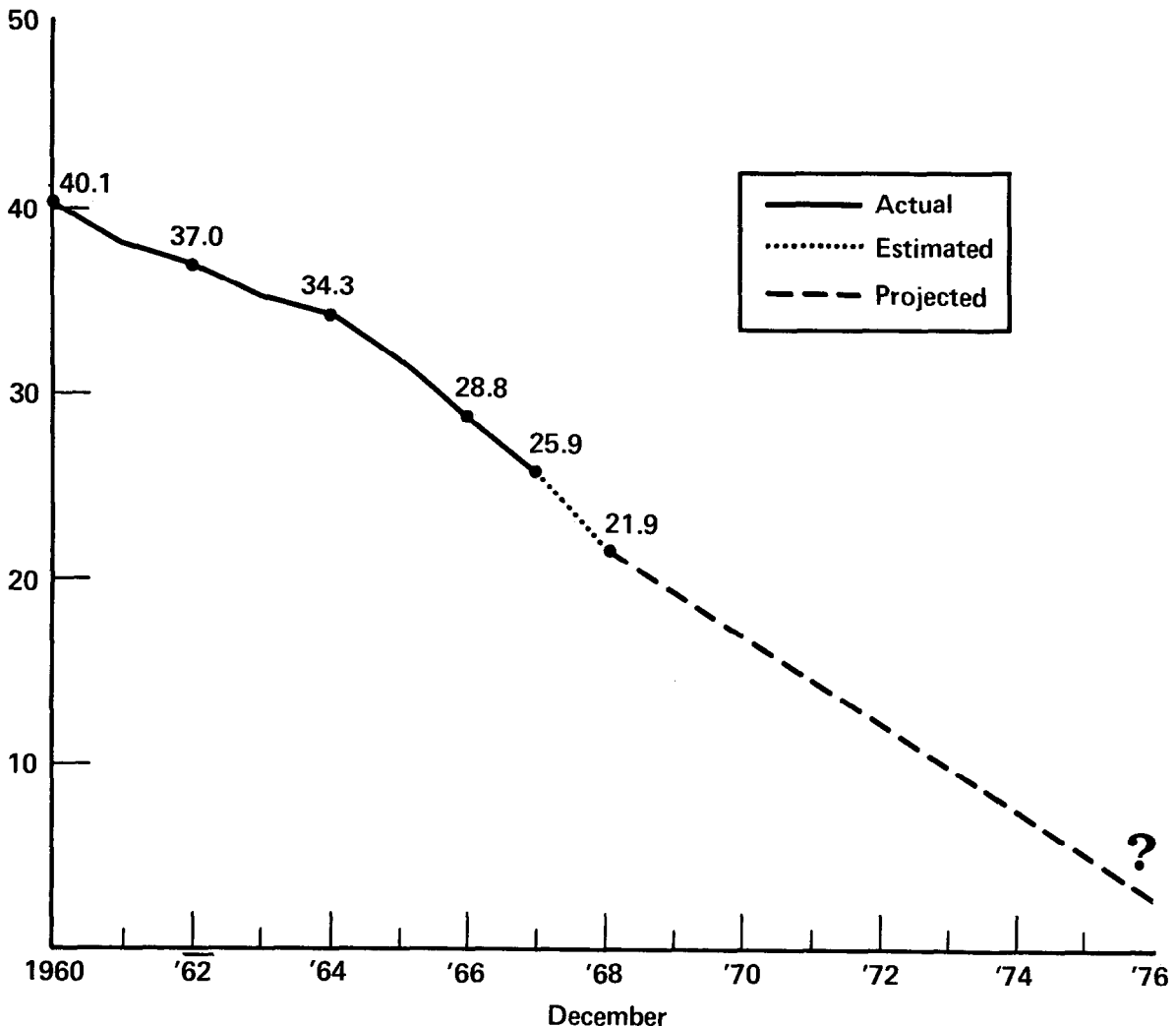
Economic security is perhaps best defined as a job when you can work and income when you can't. Most fundamental is the opportunity to

work. Job opportunities must be made available for all who can work, and programs that improve the ability of the individual to earn must be expanded.

Well-planned and useful work, not made work, can be provided. As the President's Committee on Technology, Automation, and Economic Progress has observed, there are over 5 million useful, public service jobs that could be developed—jobs in hospitals, jobs that would contribute to improved roads, parks and recreation centers, jobs that would help relieve the pains and anxieties of the homebound—a multitude of different jobs

CHART 1.—The decline of poverty<sup>1</sup>

Poor Persons  
(Millions)



<sup>1</sup> Estimates for 1967 and 1968 provided by the Social Security Administration.

that would make noticeable improvements in our everyday life.

For those whose capacity to earn is low, and for those who have a potential capacity but are unable now to get a job, much more can be done to improve programs that prepare them for full participation and full opportunity. Educational activities, job training, health and rehabilitation programs, manpower retraining and relocation, and special programs aimed at the disadvantaged young will enable persons who are presently at a disadvantage in competing in the labor market.

**Third: racial discrimination—in jobs, in education, and in living—must be ended.**

Justice and opportunity must become a reality for every American, regardless of race, creed, sex, or national origin. Every effort must be made to diligently carry out the constitutional obligations and statutory requirements of the Civil Rights Act so that equality of educational opportunity is a reality for every boy and girl and every family in the Nation. In addition to its other insidious effects, discrimination is economically wasteful, costing the Nation about \$30 billion a year in terms of the gross national product.

People must be equipped for full participation in our economy and in all aspects of American life because this is the only worthy goal of a free and democratic society. It would not be sufficient, for example, to design programs that kept people alive at minimum standards but continue to bar them from the chance to work and earn and participate. We must not buy our way out of facing the tough problems of providing opportunity by the acceptance of a permanent class of the disinherited, condemned to live on a dole when they want to be a part of society and equipped to move ahead. Jobs are basic to economic security and the first task is to see to it that everyone is given the chance to learn and to earn.

**Fourth: family planning services must be available, on a voluntary basis, to those with lower incomes and less than a college education as they are to the higher-income, college-educated person in the suburb.**

This is not now the case. In the period from

1960 to 1965, low-income women of childbearing age had an annual fertility rate of 153 births per 1,000 women. The rate for the rest of the female population was 98 births per 1,000. This rate of 98 per 1,000 is consistent with an ultimate family size of about three children—considered to be the size that most Americans, regardless of race or economic status, desire.

Thus it is considered likely that the poor would bear children at the same rate if they had access to the same family planning services available to the nonpoor. And, on that basis, it is estimated that in 1966, among 8.2 million low-income women of childbearing age, there were 450,000 births of what might be called unplanned-for children.

**Fifth: opportunities for education must be expanded.**

The vitality and economic growth of our society depends, to a major extent, upon the effectiveness of American education. We must assure not only equal opportunity for education but equal access to high-quality education. The cost of educating every American must be recognized as an investment in a stronger, more vital Nation. All Americans have a basic right to as much education and training as they desire and can absorb—from preschool through graduate studies.

Quality preschool opportunities, for instance, are essential for disadvantaged children if they are ever to have the hopes of succeeding in regular classroom studies. Less than one third of the Nation's 12.5 million children age 3-5 are enrolled in nursery schools or kindergartens. The proportion of children from low-income families enrolled is even less than the average. Clearly more early learning opportunities must be provided all children in this age group.

The need for modern and effective technical and vocational education is also self-evident. More than 1 million students a year fail to complete high school. We need a vastly expanded and a strengthened vocational education system, as well as imaginative new ties between school and the world of work in agriculture, commerce, and industry.

Unless job opportunities and the programs that increase earning capacity are improved and unless all have the full knowledge needed to plan family size, the poverty of one generation will

continue in many cases to be repeated in the next. Unless children born into poor families have the opportunity to learn and develop skills, they will not only be poor children but will face the high probability that they will be poor adults and that they themselves will raise poor children.

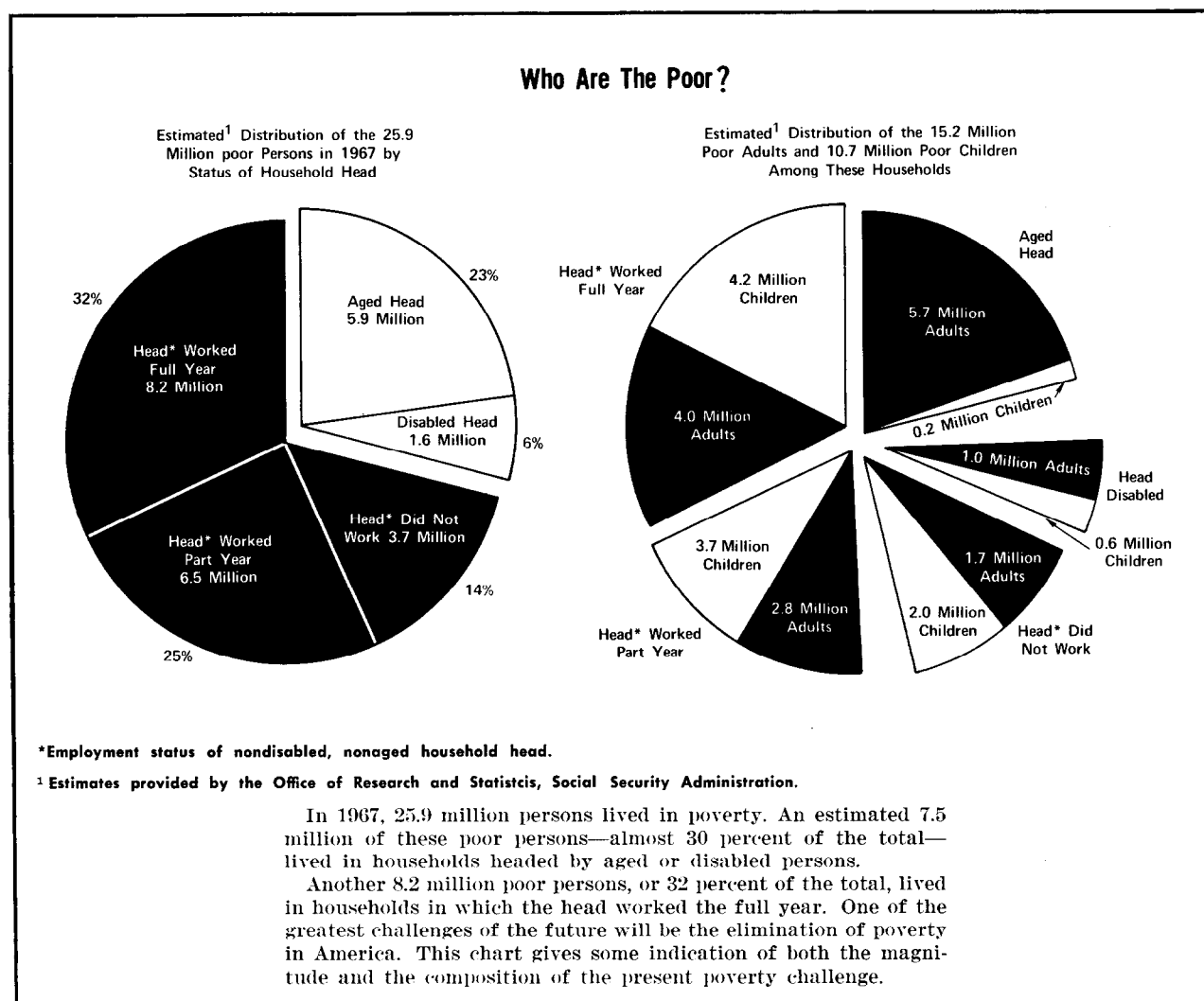
**Sixth: the social security program should be improved.**

A job today not only provides current income but carries its own insurance against the loss of that income. This social insurance device is an institutional invention of first-rate importance. It came as a culmination of centuries of develop-

ment, growing out of a variety of self-help efforts such as the sickness and accident funds of the medieval guilds, the mutual funds of early trade unions, and various protection plans of fraternal organizations and friendly societies. It is based on the idea that since a job underlies economic security, loss of income from the job is a basic cause of economic insecurity. The breakthrough in society's efforts to deal with poverty and insecurity—the significant social invention—was the idea of a compulsory insurance program protecting against this loss of work income.

Under social insurance, while a worker earns he contributes a small part of his earnings to a fund, usually matched by the employer. And then, out of the funds accumulated, benefits are paid

CHART 2.—Adults and children among the poor and status of the household head



to partly make up for the income lost when the worker's earnings have stopped. Under this "income insurance," the payments made are usually related to the amount of the earnings lost and are thus designed to maintain in part the level of living obtained by the worker while he worked. In most countries, as in the United States, cash payments are made under social insurance programs to make up in part for earnings lost because of retirement in old age, disability, the death of the family breadwinner, and unemployment. The same social insurance approach is also frequently used to help meet extraordinary expenses such as those of hospitalization and medical care.

The characteristics of the social insurance approach are that the protection grows out of the work that people do, with eligibility for benefits and the amount of the benefit related to past earnings and contributions. Also characteristic are the absence of any individualized means test and the inclusion of a detailed definition of legal rights to payment. Just about all industrial countries now base their "income maintenance" systems on social insurance.

In the United States, the largest and most important of the social insurance programs is the Federal system popularly called social security. This program insures against the loss of earnings due to retirement, disability, or death and pays benefits to meet the great bulk of hospital and medical costs in old age.

This year 90 million people will contribute to social security. Ninety percent of our population aged 65 and over are eligible for monthly social security benefits. More than 95 out of 100 young children and their mothers are eligible for monthly benefits if the family breadwinner should die. And 4 out of 5 people of working age have income protection against loss of earnings because of the long-term severe disability of the breadwinner. When the Federal civil-service system, the railroad retirement program, and State and local government staff retirement systems are taken into account, nearly everyone now has protection under a government program against the risk of loss of earned income. In addition, many are earning further protection under systems that build on social security.

Social security provides a highly effective institution for income maintenance—one that is ac-

ceptable to the public, has a very low administrative cost, and is practically universal in application. But it needs improvement, particularly in the level of benefits.

Indicative of the need for higher benefit levels is the fact that the *average* social security benefit for retired workers is now \$98 a month; for aged couples it is \$166; for aged widows, \$86; and for disabled workers, \$112. Many people get lower amounts, and about 2.8 million beneficiaries get the minimum benefit. The minimum for a worker who goes on the benefit rolls at age 65 or later is only \$55.

As quickly as possible the general benefit level should be raised by 50 percent, and the minimum benefit to at least \$100 a month. These actions would remove about 4.4 million people from poverty. It may be necessary, however, to approach this goal gradually.

The next Congress could take a major step in this direction and improve social security in many other respects. Such legislation should embody the following proposals:

1. *An increase in benefit levels.* As a first step, Congress could increase all social security benefits by at least 15 percent, with an increase in the minimum to \$70 for the single retired worker or widow and to \$105 for the couple. These increases would go to all beneficiaries now on the rolls and to those coming on in the future. The benefit to uninsured persons aged 72 and over should be increased from \$40 to \$55 a month.

2. *A method of keeping the system in line with rising wages and the benefits "inflation-proof."* Benefits could be paid based on average earnings over a worker's 5 or 10 consecutive years of highest earnings, rather than on his lifetime average, so that the benefits will be more closely related to the earnings actually lost at the time the worker becomes disabled, retires, or dies. Once the beneficiary is being paid, the benefits should be kept up to date through provision for automatic increases tied to the cost of living.

3. *A way to make the program more effective as the basic system of income security for those who earn somewhat above the average, as well as for average and below-average earners.* The present ceiling on the annual amount of earnings counted under the social security program should be increased from the present \$7,800, in stages, to \$15,000. Then automatic adjustment of the ceiling should be provided, to keep it in line with future increases in earnings levels.

A provision in the original Social Security Act set the ceiling so that the full earnings of just about all workers were covered under the program. Restoring the ceiling to what was originally intended has two major advantages. First, because of the increased income to the program it is possible to maintain a given level of benefits with a lower contribution rate than would otherwise be required. Second, the system should

be kept wage-related for those who have earnings somewhat above the average level. The social security program should be kept meaningful for workers at all earnings levels, not just for low earners.

There are advantages to using social security as the major income-maintenance program. The protection provided under this program follows the worker from job to job. The payments do not depend on the continuance of a single enterprise or industry, as many private pension payments do. Also in contrast to private plans, payments are provided for dependents of workers—in particular, for their widows—as well as for the workers themselves. Important as private pensions are, it is clear that the job of providing protection against loss of earnings suffered by those who have had even above-average earnings should be done substantially through the social security program and not left largely to private arrangements.

4. *Provide protection against the loss of earnings that arises because of relatively short-term total disability.* Disability benefits could be paid beginning with the fourth month of disability without regard to how long the disability is expected to last. Under present law, the benefits begin with those for the seventh month of disability and are payable only where the disability is expected to last for at least a year.

5. *Improve protection for older workers by liberalizing the definition of disability for workers aged 55 or over.* The revised definition should permit benefits to be paid to a worker aged 55 or over if, because of illness or injury, he can no longer perform work similar to what he has done in the past. Under present law, the definition of disability requires that the worker be unable to engage in any substantial gainful activity.

6. *Improve work incentives by liberalizing the provision under which a beneficiary's earnings reduces the benefit he receives.* The reduction could, for example, be limited to one-half the amount earned above the exempt amount, regardless of the total amount of earnings. At the present time the first \$1,680 of earnings has no effect on the benefit amount but there is a 100-percent reduction after annual earnings of \$2,880.

The increase in the earnings-base ceiling proposed—an increase to \$10,000 in 1970 and to \$15,000 in 1972—would result in higher income for both the cash benefits and the Medicare parts of social security. The increased income that would be channeled into the cash benefits part of the program, when combined with the actuarial surplus now to be expected in that part of the program, would go a long way toward financing the proposed reforms.

If the cash benefit program were to remain entirely self-financed, the ultimate contribution rate paid by employees and the rate paid by employers for the total social security program would have to be increased somewhat to meet the cost of all the proposals outlined. On the other hand, general revenue financing could be used to meet all or part of the increased costs.

In any event, consideration of higher social security contribution rates, even if the increases are quite small, should be accompanied by an exploration of ways to relieve low-wage earners from the burden of the higher rates. One way to do this would be to amend the income-tax laws so that, for low-income people, a part of the social security contribution would be treated as a credit against their income tax or, if no tax were due, could be refunded.

The Medicare program, too, can be kept actuarially sound and the proposed improvements in the program can be entirely financed by the additional income that would result from the proposed increase in the earnings-base ceiling and from making the Government contribution equal to half the cost of the entire Medicare program, rather than only half the medical insurance part as at present.

The benefit increases and the other program improvements outlined would help all workers and their families—not just the very poor. Their most important effect would be to reduce the number of poor in the future and to provide a level of living somewhat above poverty for most beneficiaries. But the effect of these changes on today's poor would also be very significant.

The 15-percent across-the-board increase and the \$70 minimum would move about 1.3 million persons out of poverty right away. The improvements in benefits would also make possible reduction in assistance payments for 1.1 million social security beneficiaries who are also getting old-age assistance because their social security benefits are too low. About 125,000 beneficiaries would be removed from the old-age assistance rolls altogether.

### **Seventh: our health services must be improved.**

High-quality health care must be available to all—in the inner city as well as the suburb. We must reduce the high toll of infant mortality: a more effective method must be found for financing prenatal and postnatal care for mothers and children. We should also:

1. *Provide under Medicare for protection against the heavy cost of prescription drugs.* Specifically, the cost of prescription drugs should be covered in those situations where the patient has recurring drug needs.

2. *Cover disabled social security beneficiaries under Medicare.*

3. *Put the entire Medicare program on a social insurance prepayment basis.* Specifically, the medical insurance and hospital insurance parts of Medicare both should be financed from social security contributions and a matching contribution from the Federal Government.

**Eighth: we must improve other social insurance programs.**

Other social insurance programs—unemployment insurance and workmen's compensation—although not administered by the Federal Government, require Federal standards. Coverage of both of these programs should be expanded, and benefit levels in many States should be substantially improved.

The introduction of Federal benefit standards into unemployment insurance, where there is already a Federal-State relationship, would not be structurally difficult. In workmen's compensation, which has been entirely a State matter, it would be necessary to establish some new device, such as a Federal program providing a given level of protection, which employers would not have to join if they presented evidence of membership in a private or State insurance arrangement with an equivalent level of protection.

Although work opportunities and improvements in social insurance can bring economic security to the overwhelming majority of people, they cannot do the whole job. For example, a large proportion of the mothers and children receiving aid to families with dependent children are in need because the father has deserted the family, but loss of income through desertion has not been considered an insurable risk. There are also the men who have jobs but whose wages are too low to support themselves and their families.

Public assistance is the program which, theoretically, could meet those needs that remain when income from other sources is insufficient. In principle, assistance measures the income of the applicant against the income the community considers minimal and then supplies the difference, thus bringing the individual's income up to the determined level. In practice the program has been limited in application.

The Federal-State programs have been confined to certain categories of recipients—the aged, the blind, the permanently and totally disabled, and families with dependent children when

a parent is either missing from the home, disabled, or unemployed. In addition, the States have been allowed to define the level of assistance provided in these programs, and many States have set the level below any reasonable minimum, and payments vary widely among the States as chart 3 shows. General assistance for those not eligible under the Federal-State categories is entirely supported by State and local money and with few exceptions is very restrictive.

There are 8.4 million persons getting assistance payments under the federally aided programs. (In addition, about 800,000 persons receive general assistance not financed with Federal aid.) This figure would be approximately double if the States took full advantage of the Federal eligibility standards and removed from State plans and State administrative procedures the restrictions that now bar needy people from getting assistance.

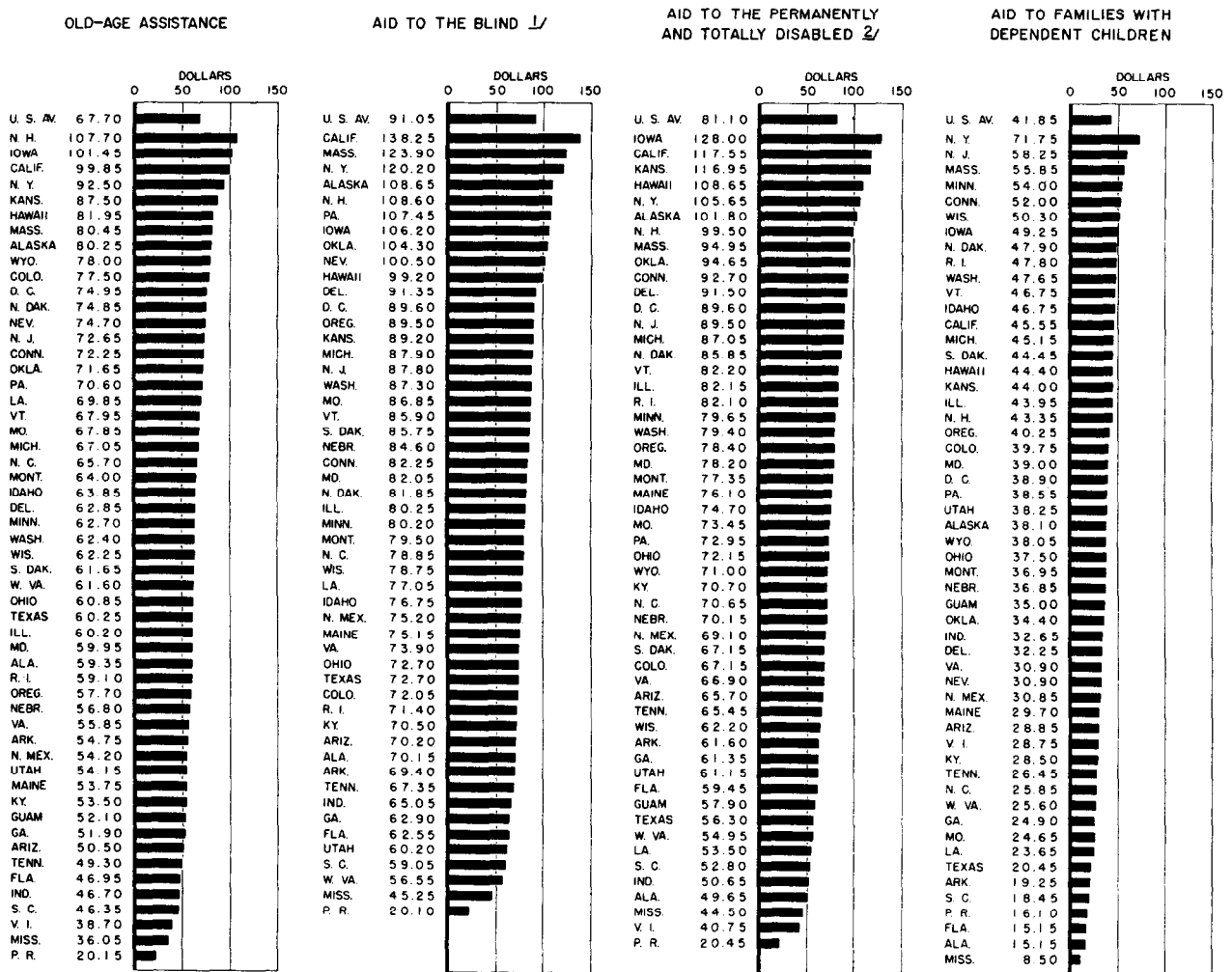
Moreover, because of the low level of assistance standards in many States a high proportion of those receiving assistance are still below the poverty level. For example, the standard of need for old-age assistance in South Carolina is only \$78 a month. In other words, South Carolina says that \$78 a month is the amount an aged, single individual needs to live on if he has absolutely no other source of income. And in North Carolina the standard in aid to families with dependent children for a family of four is only \$148 a month. Furthermore, a number of States provide money payments that are less than the standard of financial need that the State itself has established.

But criticism of existing public assistance programs is not confined to inadequate coverage or inadequate amounts. The list of criticisms is long, going to the nature of the program itself and its administration.

The determination of eligibility is an unnecessarily destructive process, involving the most detailed examination of one's needs and expenditures and frequently prying into the intimate details of one's life. Moving from detailed budgeting to broad categories of allowances and to simplified determinations of income and resources would help to protect the dignity and self respect of the assistance recipient.

One problem that has haunted assistance and relief programs for years is how to provide adequate assistance without destroying economic incentives for those who can work. Reasonably

CHART 3.—Average monthly money payment per recipient under the Federal-State public assistance programs, June 1968



<sup>1</sup> Not computed for Guam, Virgin Islands, and Wyoming (fewer than 50 recipients).  
<sup>2</sup> No program for Nevada. Not computed for Guam (fewer than 50 recipients).

adequate payments, particularly to a large family, will sometimes turn out to be more than can be earned by a full-time worker with low skill. Thus, unless in determining need some exemption is provided for earnings, there may be no economic incentive for some people to take a job. On the other hand, any substantial exemption of earnings in an assistance program that pays those able to work may result in continuing eligibility for some who are living considerably above the assistance level.

For these reasons there has been considerable reluctance to provide adequate assistance to those able to get jobs, as well as great reluctance to have assistance supplement full-time wages. The

tendency has been to provide assistance for categories assumed to be largely unable to work and provide aid for others on a much more restrictive basis, if at all.

Under aid to families with dependent children the Federal Government assists States to make payments to families with the father unemployed. In the 29 that do not take advantage of this Federal offer and continue to provide aid only if the father is disabled or absent from the home, the assistance program is correctly criticized on the grounds that it sets up an incentive for the unemployed worker to leave home.

Support for an assistance program that applies to all in need and that pays adequate amounts has

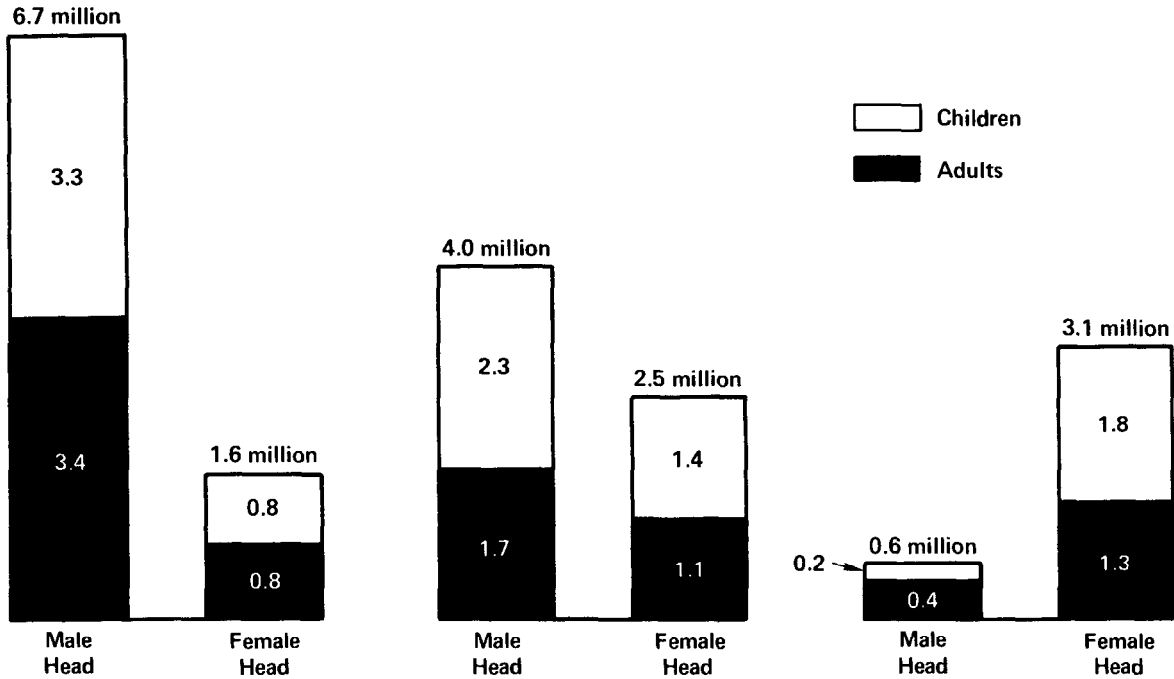


## 18½ Million Poor in families of nondisabled men or women younger than 65

8.2 Million Were in Households Where The Head Worked All Year

6.5 Million Were in Households Where The Head Worked Part Year

3.7 Million Were in Households Where The Head Did Not Work at All



<sup>1</sup> Estimated by the Office of Research and Statistics, Social Security Administration.

An estimated 18.4 million poor persons in 1967 lived in households that were headed by nondisabled persons under age 65; 45 percent of the total lived in households where the head worked all year, 35 percent lived in households where the head worked part year, and 20 percent lived in households where the head did not work at all. Male-headed households, on the one hand, accounted for more than 80 percent of the persons in households headed by full-year workers. Female-headed households, on the other hand, accounted for over 80 percent of the persons in households where the head did not work at all.

These differences in work experience and family composition suggest some of the complexities involved in the challenge of eliminating poverty in the future.

been faced with hard going because of the incredible longevity of myths about those whom the programs are supposed to aid: that the poor live high on welfare handouts and that the poor are lazy and don't want to work.

The myths persist despite the fact that more than 80 percent of the households that do receive

aid are still poor afterwards, despite the fact that most of the welfare recipients are not employable, and despite the fact that 80 percent of working-age men who are poor have jobs, and about 75 percent of them are in full-time jobs (chart 4).

Despite the considerable difficulty in gaining public support for an adequate program, plans

must be made for basic reform in public assistance. There is just no way, as a practical matter, that we can eliminate the need for a substantial assistance program in the near future.

Though creating job opportunities and improving social security will reduce the need of some groups for public assistance and the need could be reduced even further by the establishment of new programs such as the negative income tax or children's allowance, neither of these programs, in practice, would pay enough to supply an adequate level of living for the person unable to work and without other resources.

Few people have proposed children's allowances high enough to maintain every child at a minimum subsistence level. Most commonly, the proposed negative-income tax plans, to leave room for work incentives without at the same time having a major portion of the funds go to the nonpoor, pay less than an amount that approaches the poverty level of living. This is the dilemma: If the amount payable to a family with no other income were set near the poverty level—say, for a family of four at \$3,000—and the worker were to get the benefit of half his earnings in order to retain an incentive for work, the result would be that a worker who earns \$4,000 would get \$1,000 from the Government (\$3,000 minus half of his \$4,000 in earnings); with his \$4,000 in wages he would then have an income of \$5,000. If he earned \$5,000 he would still get \$500 from the Government for a total income of \$5,500. In this way the necessary incentives to work would be preserved, but the plan becomes very expensive and a considerable part of the money goes to those above the poverty level.

To avoid this difficulty, therefore, the plans usually start with less than the objective of meeting the full poverty standard. If, for example, the plan paid only \$1,500 to a family of four with no other income, then the individual earning \$3,000, roughly the poverty standard, would not get a Government payment and all the money would go to the poor. The problem is then that for those who earn less than the poverty standard the payments are not sufficient to meet need and in the case of those who have no income the payments in this illustration are only sufficient to meet half the need.

In light of the stage of development of present proposals for new programs, the need for assist-

ance programs will not be eliminated in the near future. Thus, it is imperative that the existing programs be improved.

**Ninth: our system of public welfare must be radically overhauled.**

Drastic changes must be made in the existing welfare system—in the scope of coverage, the adequacy of payments, and in the way in which payments are administered.

One way this could be accomplished is through a federally financed system of income payments for the aged, for the blind and the disabled, and for dependent children—with eligibility, the amount of payments, financing, and appeals determined on a national basis as a substitute for the present State-by-State welfare programs.

Such a system would overcome many of the problems of inequity, State-to-State variations, and fiscal inadequacy that have plagued the States and the present welfare system for more than 30 years. It would include financial incentives for people to seek employment, adequate day care for the children of working mothers, and an effective job-training program. And Federal financing would release State funds to meet need in the area of general assistance and would enable the States to solve more effectively their growing urban, education, and health problems.

**Tenth: the services that will help people move out of poverty must be brought to the people—where and when they need them.**

Family planning services, visiting-nurse services, day-care services for the children of working mothers, community action programs, and consumer and legal aid must be available where needed. City Hall—and Washington—must be closer to the people they govern. There must be an adequate program of consumer and legal protection for the poor. To avoid further discontent and rioting in our urban slums and to help eliminate poverty, there must be an end to practices that shortchange the poor in the grocery store, in the welfare office, at the landlords, at the neighborhood department store, and in the courts—in short, at all the waystations that add up to life in the ghetto. It is important, too, that credit union facilities be available to the poor and that

credit unions take even greater responsibility for the consumer education of their members.

## A DEMANDING TASK

The adoption of these ten proposals are necessary and important whether or not new programs such as the negative income tax or children's allowances or wage supplements are finally adopted. Moreover, they do not prejudice in any way the adoption of such new programs. If—in addition to the expansion of job opportunities, improved social security, and an adequate national assistance program for existing welfare categories—one of these new proposed Federal programs were adopted, income would be increased for those who are working regularly or fairly regularly but cannot now earn enough to meet their families' needs. Although people in this position are eligible for general assistance payments in New York and a few other places, they are not generally eligible for assistance payments or social security benefits.

There is, however, much more work to be done on the formulation of the proposals and the details of how they would operate in practice. Such programs are much more complicated than they seem to be on first presentation. They involve difficult problems concerning when to make payments and on what basis one determines the right to payment. A careful analysis must be made of the alternatives and the costs and benefits of such proposals before decisions can be made on their viability.

In summary, the problems of poverty and economic insecurity in the United States do not

lend themselves to easy, magic solutions. They require a combination of deliberate, carefully designed, wide-ranging approaches, for the problems themselves are not simple. Being poor means more than not having enough money. It often means poor in spirit, hope, health, and intellectual resources.

The abolition of poverty will require money. But money must be accompanied by far-reaching, penetrating approaches, by bold and coordinated public and private programs that provide inter-related opportunities for the poor. For those who are able to work, greater emphasis must be placed on jobs, education, and training. For those who cannot or should not be expected to work, improvements must be made in the social security program, which, combined with private benefit plans, constitutes the most effective institution for income maintenance. It cannot, of course, do the whole job. The present welfare system must be drastically overhauled to adequately serve those whose needs are not met by other programs. Concomitant with improvements in existing programs, the search must continue for new and imaginative programs that will meet the demands of the decade ahead.

Setting the elimination of poverty as a national goal is a huge and complex undertaking. The Nation has the economic capacity, the technological capability, and the intellectual resources to accomplish this goal before the end of the next decade. But the most difficult task will be sustaining the determined commitment of the Nation to the American promise: Full and equal opportunity for all to share in the good life that can be offered by a dynamic, prosperous, democratic society.