

ANNOTATIONS

ECONOMIC NEEDS OF OLDER PEOPLE¹

THIS book represents another valuable survey of current economic problems that was sponsored by the Twentieth Century Fund. The Study was set up like some of the previous ones organized by that foundation. The Fund commissioned John J. Corson and John W. McConnell, both well-qualified by training, experience, and interests for their work in this field, to carry out the research and to serve as authors of the report *ECONOMIC NEEDS OF OLDER PEOPLE*. It appointed an equally distinguished group, although somewhat more diverse with respect to interests and outlook, to serve as a Committee on Economic Needs of Older People.² The function of the Committee was to take the finished report of the research staff as a point of departure, to review the findings and set forth some recommendations for social policy. The report of the Committee appears as the last chapter of the book itself.

The book begins with some arresting figures regarding number and characteristics of the aged. During the past half-century (since 1900) the number of persons 65 and over in the United States has virtually quadrupled, whereas the total population has only doubled. In 1900 persons 65 years of age and over numbered about 3 million and formed 4.1 per cent of the total population. In 1950 they numbered 12.3 million and formed 8.1 per cent of the population.

As for economic need the authors report that over a third (36 per cent) of the people 65 and over have no income of their

¹ Corson, John J. and McConnell, John W.: *ECONOMIC NEEDS OF OLDER PEOPLE*. New York. Twentieth Century Fund, 1956, 533 pp. \$4.50.

² This Committee consisted of Arthur H. Dean, Chairman; Harry J. Becker; James A. Brownlow; Eveline M. Burns; Joseph S. Davis; and M. Albert Linton.

own at all; some 38 per cent have an annual income of under \$1,000; 11 per cent have a yearly income of \$1,000–1,999 and 15 per cent have \$2,000 and over.

As for source of income, about one-third of the persons 65 and over were receiving social security benefits or benefits from related public and private retirement programs; 30 per cent were at work or were wives of wage earners; 20 per cent were receiving public assistance; 12 per cent were receiving income from savings, investments, insurance, veterans' benefits, and help from relatives; and 5 per cent were in public or private homes, hospitals, and other institutions.

The authors point out that conventional figures regarding unemployment by age tend to understate the amount of unemployment among the aged. The reason is that non-working people 65 years of age and over are generally regarded as not belonging to the labor force at all.

In an effort to get at the causes of retirement among retired people 65 years old and over, the authors found that over half (56 per cent) retired because the employer's policy on age compelled them to do so; 26 per cent retired voluntarily because of poor health or accident; 9 per cent retired "to have more time to themselves"; 5 per cent retired for miscellaneous reasons including illness of spouse, moving to another locality, etc.; and 4 per cent retired because their jobs were discontinued.

In addition to description of the aged persons themselves and their economic needs, the book provides summary histories of the origin, development, and provisions of the federal old-age assistance and social insurance programs since 1935; discussion and appraisal of various private insurance programs; and a "look to the future."

The policy-recommendations of the Committee is an interesting document in that despite the apparently somewhat diverse differences in economic ideology represented in the Committee membership and despite the failure to get unanimous agreement on all points, there was agreement regarding the increasing seriousness of economic problems of the aged and regarding the need for wider coverage of social security benefits. There was also agreement, at least in principle, that responsibility for meeting the economic needs of the aged should

be shared by three groups: the individuals themselves, the employers and unions, and the government. The book in a sense reflects the history of social legislation in general. The battle is only half won when the facts and figures are collected and presented. There must also be the revisions, compromises, and further revisions that are demanded by conflicts and differences in interests and outlook.

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