P.S. to the NEWS
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Release: November 30, 1979

SOCIAL SECURITY: POLICIES AND PROPOSALS

One of the outstanding features of the Social Security system for the last 40 years is that it has never reneged on paying benefits to any class of beneficiaries. Social Security affects more Americans than any other institution in America, and confidence in the system has ranked high along with our most treasured institutions.

In the past several years, many news stories have projected future insolvency for the system, thereby spreading concern that Social Security may not be able to meet its obligations. Now comes a proposal by the Administration that a whole class of beneficiaries be arbitrarily denied its anticipated benefits.

What is at stake is the wife's benefit -- the retirement check which is paid to the homemaker wife (who works in the home for all or most of her life, as opposed to working at a job for cash wages). The proposed changes would eliminate that benefit and replace it with a drastically different system in which the wife would either receive only half of her husband's retirement check OR pay a double Social Security tax out of her husband's earnings during his working years.

The net effect would be to punish the traditional family for continuing its lifestyle in which the husband is the breadwinner and the wife is the homemaker. That type of family unit would either be cut 19 percent in retirement benefits after age 62, or be required to pay an additional approximately $1,000 a year before age 62.

The three alternative plans which would produce this effect were presented in a large volume, plus tables and statistics, published by the Department of Health, Education and Welfare in February under the title "Social Security and the Changing Roles of Men and Women." That volume cost more than $200,000 to produce, and $2 million is now being spent to conduct hearings in selected cities promoting the plans.

On November 1, Social Security Commissioner Stanford G. Ross testified before the House Ways and Means Committee in support of the "Changing Roles" concepts. In the

typically arrogant manner of many bureaucrats, he said, "Of course, dependent spouse's benefits would be eliminated." The next day, Ross resigned as Social Security Commissioner, so he won't be called upon to defend his statement.

The original intent of the wife's benefit in Social Security was best described by J. Douglas Brown, one of the founders of the Social Security System, in his book "An American Philosophy of Social Security." "The wife's allowance," he wrote, "is based upon the need to protect the family unit whether the wife earns outside wages or not. The family unit is a basic social and economic feature of our way of life."

"The contribution of the wife in the home," Brown continued, "is not measurable by cash wages. Yet to deprive her of protection because her work is not directly measurable in dollars would leave millions of families with inadequate protection."

Despite this sound tax policy, which has been an integral part of the Social Security system since 1939, all three different options proposed in the "Changing Roles" Report would eliminate the wife's benefit and substitute a radically different tax policy which would artifically induce millions of homemakers to abandon fulltime care of their children and enter the job market. This would not only be an attack on the social and economic integrity of the family and on the rights of children to have a fulltime mother, but it would be downright ridiculous in our present period of high unemployment.

The argument is made by the supporters of the "Changing Roles" options that "times have changed and more than half the wives have migrated into the job market." But that is no argument at all for punishing the wives who remain in the home. Even if three-fourths of the wives were in the job market earning cash wages, that would still be no reason to take away benefits from the wives in the home.

Social Security benefits depend completely on taxes paid by young workers, since Social Security is a pay-as-you-go, not an insurance, system. Therefore, it makes good economic sense to maintain the homemakers' benefits so they can care for the children who will grow into useful citizens who will keep the system solvent.

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