

Impersonality and Administration

BY JACK S. FUTTERMAN*

A SWEEPING INDICTMENT has been spelled out charging that big mechanized government means increasing impersonality between government and the people. To the parts of the charge dealing with bigness and mechanization the Social Security Administration must plead guilty.

The Social Security Administration is big government. This year it is paying benefits amounting to \$16.6 billion, out of trust funds holding \$22 billion, to 20 million beneficiaries. During 1965 it will have posted 300 million earnings reports to the accounts of 110 million living account-number holders with credits under the old-age, survivors, and disability insurance (OASDI) program. It will also have taken about 3 million new retirement and survivor claims and about 750,000 disability claims. It has a staff of about 35,000 and a budget of substantially more than \$300 million.

Furthermore, the bill recently passed by the House of Representatives would make several major improvements in the present Social Security Act. It would add two health insurance programs, increase benefit payments by about \$5 billion, add several thousand employees to the staff, and increase the budget for the fiscal year 1965-66 by about \$100 million.¹

Yet these figures don't really make clear the Administration's bigness, since the job of administering the law already on the books is getting bigger with time. By the year 2000, even without the new programs and the changes that are embodied in the current bill, there will be about 37 million beneficiaries: The benefits will amount to about \$36 billion a year, and the trust funds will hold a total of more than \$100 billion.

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¹ Public Law No. 89-97, signed July 30, 1965. These remarks were made in April before much of the actual consideration of the legislation took place.

SIZE OF THE OASDI PROGRAM

This matter of size is stressed not because of any pride in bigness per se but because bigness is a concomitant of the achievement of the social purpose for which OASDI was designed. A social insurance program to be effective and successful must be compulsory, and the kind of program developed in the United States must—to do the job it was designed to do—cover all, or almost all, of the Nation's workers and their families.

The Social Security Administration's present state of bigness is therefore a measure of the maturity of OASDI—a measure of how extensively the program provides the protection it was designed to give. In the years ahead most persons reaching age 65 will be eligible for retirement benefits—either on their own account or on their spouse's account; more than 90 percent of the Nation's mothers and children will be protected in the event of the breadwinner's death; and the great majority of its workers and their families will be eligible for cash benefits if the worker should become severely disabled and be no longer able to work in substantial gainful employment. If the bill now before Congress is enacted, the aged in the future will also enjoy the benefits of hospital insurance, and an estimated 85 percent or more will probably exercise the option of insurance against other medical care costs, including doctors' fees.

So bigness in itself is not to be deplored. In OASDI, it is a sign that the program has arrived near the goal that was set for it.

MECHANIZATION AND IMPERSONALITY

The Social Security Administration does not share the fears that mechanized government, with automatic data processing as its symbol, leads down the road to impersonality. Indeed, there is strong evidence that, on balance, mechanization and automation are forces for less rather than more impersonality.

The suggestion that automation almost inevitably leads to impersonality may reflect a longing for the days when life was simpler. In addition, it is focused on the form rather than the real substance of the government-citizen relationship. But government's diminishing dealings with individuals on a face-to-face basis should not be regarded as an index of impersonality. A better measure would be the success or failure of government in relating its actions to the facts that pertain to each individual citizen with whom it deals and to his needs. If this is the measure used, then it seems clear that mechanization and automation have, in general, greatly enhanced government's ability to deal personally, individually, with each citizen.

This advantage stems in good part from the tremendous capability of automatic data processing equipment to quickly bring together large bodies of data, manipulate them, and develop with tremendous speed products derived not from the manipulation of averages but products that fit the unique facts in each individual case. The very existence of such equipment makes it possible to undertake the task—impossible before—of giving individual treatment to each member of the public.

ADP AS A TOOL FOR BETTER ADMINISTRATION

The Social Security Act has for many years provided that beneficiaries who return to work under certain conditions may have their benefit rate recomputed to take into account the work they do after entitlement to benefits. Because of the complicated nature of the law, however, many thousands of beneficiaries were unaware of their entitlement to higher benefits. Nor was the Social Security Administration able to advise them of their eligibility because such a task was hopelessly beyond the capability of the data processing systems in use before the advent of automatic data processing.

Thus many beneficiaries received less in benefits than Congress had intended. And it is probably safe to assume that most of those who did not exercise their rights under the law to higher benefits were not in the Nation's top economic brackets, but rather the reverse. Often they were the very men and women who were

most in need of the protection that OASDI is designed to give.

Automatic data processing is changing this picture. Its great capability to maintain and manipulate data makes possible an automatic benefit recomputation by the Social Security Administration. The individual no longer needs to obtain and fill out an application and file it. In other words, the purpose and intent of the law are made a reality because automation made possible the undertaking of a task that was formerly impossible.

This great data-processing capability some time ago made it practicable also for the Social Security Administration to identify thousands of men and women who appeared to be eligible for benefits but had not claimed them. A program was inaugurated to make this information available to the district offices, and they initiated action designed to ensure that each of these individuals was made aware of his eligibility for benefits under the law. Many thousands, when advised of their eligibility, promptly took advantage of their right to benefits and are now receiving a monthly benefit check. Again, automation made possible the personalization of government—relating a government program to individuals.

The bill that Congress is now considering provides for an increase in benefits of about 7 percent, retroactive to January 1965, with a minimum increase of \$4 for those aged 65 or over. Though changes in the benefit rates have been made in the past before the adoption of automatic data processing, the beneficiary rolls then were much smaller than they are today. Currently, 20 million persons are on the rolls, which are growing at a rate of about 1 million a year. With automatic data processing as a tool, the conversion of the beneficiary rolls and both the payment at the new higher monthly amount and the payment of the retroactive increase will be possible within 2 or 3 months after the law is enacted.

At one time addressograph plates were used to "write" benefit checks. The plate contained, among other information, the name of the beneficiary, his account number, and the benefit amount. The task of converting a beneficiary roll maintained in this way can be imagined—the preparation of millions of new plates embossed

with the new benefit amount and the massive, tedious, time-consuming job of substituting new plates for old. In addition, it would be necessary to go through millions of claims folders to extract manually the information required to make the retroactive payments.

Nor did the substitution of punchcards for addressograph plates change the picture very much. The fact is that the kind of liberalization now being considered by Congress would, if possible at all with pre-automation methods, certainly have required Herculean efforts, great numbers of workers and machines, vast space, and an unacceptably long time to accomplish.

CONCLUSION

Bigness and automation are not factors inevitably making for impersonality. Sheer bigness makes possible the utilization of powerful resources and more highly qualified and more specialized personnel, on the one hand, and more powerful machinery and equipment on the other. And mechanization and automatic data processing need not lead to reducing the individual to a statistic. Used properly, they are indispensable tools in achieving a program's purpose.

Without the help of an advancing technology it would not have been possible to implement in a reasonable length of time the earlier amendments to the Social Security Act, nor would it be possible to put promptly into effect those now being considered by Congress. These program changes make for a better relationship between citizen and government—for a much more sensitive relationship between the individual and the program designed to promote his welfare and that of the Nation. The result is coverage of more workers, protection of more individuals, and improvement of the nature of that protection—not only its comprehensiveness and scope but also

its relationship to each individual and his unique situation.

Automation and the machines that make automatic processes possible should be looked upon for what they are—tools to do a job. It is within the user's discretion to determine what that job should be and how it should be performed. There is no need to let the machines or the technicians exploit the potential of automation solely in the direction of cost reduction and a narrowly defined "increased efficiency." The substance and "how" of administration should continue to be shaped by those who are responsible for the whole program and for achieving its mission.

The Social Security Administration views its responsibility to the public as twofold. First, the responsibility for performing the many concrete tasks necessary to protect and maintain the rights that are earned by those who participate in the program, and second, the responsibility for performing these tasks in a way that is fully appropriate to a program based on a concept of earned right.

Automatic data processing can give important help in both areas. It can enable the Administration to perform its tasks efficiently, economically, speedily, and with a minimum of error. It is a tool making possible the operation of government programs in ways that permit a program to deal with individuals as individuals.

Machines can be used badly, goals can be distorted, and the central place of individuals in a government program can be forgotten. The false god of economy alone or some narrow concept of efficiency can be substituted for the proper aims of a program. But no one should then say that bigness and automation are at fault, that they are inherently bad, and that they lead to impersonality. Rather, what fault there is may well be laid at the door of human agents because it is the job of the program administrators to make use of these tools wisely.