

report of the special committee on old-age assistance problems, which urged "measures which, if enacted, will tend to further liberalize the administration of the law and the treatment of our aged citizens . . . I also recommend that you give consideration to the distribution of the burden of taxation for the handling of dependent aid cases. The burden . . . should not be treated as an entirely local, community problem." He further recommended legislation modifying the existing settlement laws, which he described as "very exacting and antiquated," and an equal division of the cost of providing for dependent aid between the State and local governments.

Governor Walter W. Bacon of Delaware recommended raising the pres-

ent minimum weekly unemployment benefit from \$5 to \$7 and extending duration by 2 weeks. The unemployment reserve fund, he said, "can well afford these higher benefit rates and I believe provision should be made for the payment of such rates to those who are unemployed through no fault of their own." In referring to the post-war return of the employment service to the States, he proposed "that a suitable contingent fund be made available for the necessary matching of Federal funds that would be a prerequisite to the return of the employment service to the State." In view of Federal legislation, he also proposed repeal of the State provision freezing the benefit rights of workers who had been inducted into the armed forces. The

Governor also recommended that the maximum amount payable to recipients of old-age assistance be increased from \$25 to \$30 a month, as recommended by the Old Age Welfare Commission.

In discussing post-war employment problems, Governor Harry F. Kelly of Michigan stressed the importance of the State unemployment compensation system in the transition period. Accordingly, he said, "We must be certain of the solvency of the funds, of the adequacy of the reserves; that the coverage, eligibility and benefit provisions are adequate and fully adapted to the demands that will be made upon them." Governor Kelly also said he concurred in the recommendations of the State Social Welfare

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Reappraising Aid to Dependent Children as a Category

By Grace M. Marcus*

This article is based on a statement prepared by Miss Marcus in the course of an extended study of aid to dependent children and submitted by the Bureau of Public Assistance to the Social Security Board for its consideration in connection with other material relating to the program.

Good use of aid to dependent children has been impeded by the financial maximums limiting Federal participation. The carry-over of mothers'-aid philosophy has been damaging. Absence or inadequacy of general assistance funds has frequently made it impossible to use that program to compensate for weaknesses in financing aid to dependent children and for its categorical restrictions. As work has led into closer analysis of the Federal provision, however, it has become apparent that, even if these obstacles were removed, inherent defects in the category would prevent achieving the intended results through aid to dependent children. Experience has shown that aid to dependent children, as a category, is fundamentally defective.

Positive Values of Categories

When properly framed, a categorical provision should offer certain well-known advantages to counterbalance its disadvantages. A category is useful in isolating a group from the

heterogeneous mass on the basis of some simple, easily defined characteristics. On the basis of these characteristics, categorical definitions of eligibility may be set up. Use of the categorical basis facilitates meeting need in the designated group because it safeguards the claims of the eligible to assistance and simplifies the problem of improving standards in meeting needs peculiar to the classification.

Whatever may be said against categories, the category that is well devised reinforces the recognition of need by emphasizing specific characteristics in the categorical group that are easily accepted as innocent and justifiable reasons for dependency. When the characteristics are definable in objective terms, as in old-age assistance and aid to the blind, and are not transitory or variable, administration of assistance to the categorical group is relatively simplified, and clear and adequate policy is more easily developed. Moreover, the category provides safeguards against the instability in the legislative appropriation for continuing need that so often affects the general assistance

load. One test of the effective constructed categorical provision is whether it facilitates the prompt recognition and adequate meeting of need or delays and blocks it.

Experience with aid to dependent children shows that some of the characteristics on which eligibility rests do not facilitate the prompt recognition and adequate meeting of need. Children eligible for aid to dependent children must be sorted out of the mass of dependent needy children according to combinations of parental circumstances, and of these circumstances only death is easily determined and accepted as an objective cause of need. In actuality, the characteristics of parental absence and incapacity undermine the appeal that a category for children might otherwise carry, and they divert, rather than strengthen, the concern with need.

Social Stigma in Eligibility Factors

The neutral legal phrases concerning "continued absence" and "physical or mental incapacity" of the parent conceal the fact that in many cases of such absence or incapacity the characteristic situation by which the child's eligibility is to be determined has damaging personal and social connotations. When absence refers to desertion, separation, or divorce, it high lights a condition frequently arousing such strong suspicion and prejudice as to sidetrack the concern for the child's need. So also do physical incapacities when their severity is not self-evident or is due in part

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to specific personal or social factors in the individual's situation. Mental incapacities that do not take the form of gross abnormality are even less likely to be accepted as legitimate causes of need. In short, situations considered on the grounds of absence or incapacity of a parent often involve subjective factors of personal responsibility, behavior, and relationships to which a social stigma is attached. To use these as categorical characteristics does not help needy eligible children to be quickly and positively accepted as justifiable objects of assistance.

Requirement of Unusual Skill and Judgment

For another reason also, use of absence and incapacity as eligibility factors may militate against, rather than for, the recognition of legitimate need. In trying to formulate definitions and clarify policy about continued absence, it has repeatedly been discovered how difficult it is to maintain a liberal social intent in administering aid to dependent children and to keep a line clear between absence, unemployment, and nonsupport. This difficulty is, of course, one of the reasons why agencies have played safe by leaning on severely limiting procedures, for to do anything else requires that they must rely on more general policy directions and on a high degree of skill and judgment in their staffs. Since they are often required by the category to justify decisions about eligibility in terms not only of need but also of absence and incapacity, they are vulnerable to severe community challenges about their interpretations. Actually, determination of absence requires highly developed interviewing skill and exceptionally mature judgment in cases that are on the border line between aid to dependent children and general assistance. In view of the fact that categorical characteristics should facilitate the identification of the eligible need, the choice of two factors that often demand unusual skill for their determination again brings into question the construction of aid to dependent children as a category.

Special difficulties beset the agency in determining incapacity. The accurate determination of the psychological and social factors that may complicate physical illness and are dominant in mental illness requires

highly specialized skills in physical and mental medicine as well as the specialized social work skills that distinguish medical and psychiatric social work. The lack of medical personnel and facilities capable of this quality of diagnosis is general throughout the country. To escape from the present narrow constructions of incapacity that recognize only the extreme and incurable conditions is to risk irresponsible and slipshod acceptance of all sorts of complaints and behavior as evidence of mental incapacity. This risk would be so grave that it is socially wiser to accept the present exclusion of real mental incapacities as an injustice to be met only as adequate public health facilities can be established. The result of this policy, however, is that potentially eligible children will continue to be barred from aid to dependent children because the resources for determining their eligibility are lacking. If children in these situations received general assistance on the basis of need alone, lacks in diagnostic and treatment resources will still deprive their parents of necessary opportunity for needed care, but at least assistance for financial need would not be denied because the agency is unable to meet its responsibility for determining incapacity as an eligibility factor.

Psychological Draw-Backs of Eligibility Conditions

An additional and different drawback of the category of aid to dependent children is that the emphasis on absence and incapacity as eligibility factors to be *established and maintained* has psychologically and socially injurious effects. To say this is not to subscribe to the popular idea that individuals deliberately leave home or cling to incapacity in order to obtain aid to dependent children. It is, rather, to call attention to the indirect effects of these eligibility conditions in situations in which the absence may not be necessarily final or the incapacity total or permanent. Here there is a typical conflict between the desire to have aid to dependent children provided promptly to meet need and to prevent disintegration and the responsibility for seeing that the basis on which it is provided is not detrimental.

For example, in a case of marital discord the wife may actually have been an active agent in the husband's

leaving home. When she establishes the eligibility of her children not on the basis of their need alone but also on the expectation of his remaining away, her action may have the effect of crystallizing—for her and for him—a separation that would otherwise be reconsidered by both. Similarly when the husband's difficulty in supporting the family has been a source of serious marital disagreement, the use of absence as an eligibility factor gives an undesirable emphasis to the fact that his absence is more valuable than his presence.

The same negative effect may result from the stress on incapacity as a condition of eligibility. In cases in which partial or total recovery may still be possible, the emphasis on incapacity in determining eligibility tends to have a discouraging psychological influence in that it seems to make the illness or handicap conclusive and adds a financial hazard to the other difficulties involved in any struggle for recovery. Even if general assistance were more generally available so that assistance need not stop when the absence or incapacity ends, the fact remains that these eligibility conditions are psychologically bad.

In agencies which command adequate general assistance funds, workers might be helped to develop skill in soft-pedaling absence and incapacity as eligibility factors in aid to dependent children, but there are objections to any practice that blurs understanding by the recipient of the basis on which assistance is provided. The fact remains that in many cases in which the outcome of absence or incapacity is indeterminate, assistance from a general assistance provision provides a more favorable basis for positive help than does aid to dependent children.

Intervention Between Parent and Child

Another social objection to aid to dependent children as an assistance category is inherent in the title and wording of the provision. A category of assistance for children in their own homes at once affirms and denies the values and responsibilities of the parent-child relationship. It affirms the right of the child to have his need met in his own home if his parents cannot meet it, but it does not recognize directly the right of the parent as the person responsible for the child.

The parent is placed in the position of intermediary between the agency and the child. The ambiguity in the title and wording of the provision obscures the status of the parent as applicant and recipient and would seem to have its roots in the "suitable home" philosophy of mothers' aid, in which the agency assumes a quasi-guardian role, undefined in its responsibilities and powers.

Experience of the last 25 years in psychiatry, child guidance clinics, and progressive child welfare agencies has supplied strong arguments against well-intentioned efforts to serve children living with their parents except through their parents and with their

parents' wholehearted and voluntary support. Insofar as we are concerned with the welfare of children in their own homes and the preservation of their family relationships, our weight should be thrown into strengthening respect for parental rights and responsibilities, for experience has amply demonstrated that, as long as the parent as well as the child is in the home, the parent must be treated as the responsible and determining agent. The detachment of the needy dependent child from the parent implied in the title and phrasing of the provision operates against recognition of and respect for the parent and implies that the parents'

inability to meet the child's need justifies an undefined intervention of the agency in behalf of the child. The effect constitutes a disservice to the social interest in preserving and strengthening the family and the parents' role and responsibility in its functioning.

As middle ground between some such measure as children's allowances and a comprehensive general assistance program covering the need of all families with children, whatever the cause of need, aid to dependent children has had some justification, but this justification exists only as long as it is impossible to obtain a better provision.

Foreign Experience in Social Insurance Contributions for Agricultural and Domestic Workers

By Wilbur J. Cohen*

The Social Security Board has recommended extension of social insurance to agricultural and domestic workers. While administrative problems arise in covering these two groups, many foreign countries have successfully accomplished this task. This article describes various methods which have been used in collecting contributions and recording wage data for agricultural and domestic workers.

BECAUSE OF ADMINISTRATIVE problems connected with covering agricultural workers and domestic employees under old-age and survivors insurance, coverage of these two groups has generally lagged behind that of industrial and commercial workers. As administrative experience has been gained, countries which have excluded agricultural and domestic employment from their original insurance laws have tended, however, to include them at a later date. Today, according to the best information available, agricultural employees in at least 16 countries¹ and domestic employees in at least 18 countries² have social insur-

ance protection against the risks of old age and disability. Several other countries provide by law that the administrative agency may extend coverage to either or both groups.

The chief problem in extending coverage to agricultural and domestic employees under old-age and survivors insurance lies in the collection of contributions. Frequently adjustments have had to be made in the contribution basis or methods of collection. For agricultural workers, two countries—France and Hungary—have established separate systems. For domestic workers, on the other hand, no country has had to establish a separate system, though special provisions have sometimes been found necessary.

Perhaps the most interesting contrasts in administrative techniques are found in the systems of Chile, Czechoslovakia, France, and Great Britain, which are summarized here briefly to show in cross-section some of the major alternatives in methods of fixing and collecting social insurance contributions for these groups. Brief information is also included for

seven other countries—Germany, Hungary, Italy, the Netherlands, the Union of Soviet Socialist Republics, Peru, and Canada.³ It has not been possible to follow wartime developments in all countries, and unless otherwise indicated the information relates to the pre-war period. Because of the war, it has not been possible to verify all material.

Chile

The operation of the workers' compulsory sickness, invalidity, and old-age insurance fund, which covers all classes of manual workers—including agricultural laborers, domestic workers, and the self-employed—is particularly significant because it combines a stamp plan with a percentage-of-wage tax. The Chilean law was enacted in 1924, and contributions were first collected in 1925.⁴ In general, the contributions from employers are 5 percent of pay rolls, from workers, 2 percent, and from the Government, 1½ percent. In certain mining zones, slightly higher rates are assessed to cover the additional cost of providing medical service in these isolated areas. Contributions are paid on wages rounded off to the nearest peso.

³For a discussion of the Swedish and New Zealand systems, which cover practically the entire population in those countries, see Hohman, Helen Fisher, *Old Age in Sweden: A Program of Social Security*, Washington, 1940, and Rockwell, Almon F., "The New Zealand Social Security Act," *Social Security Bulletin*, Vol. 2, No. 5 (May 1939), pp. 3-9.

⁴Bustos A., Julio, Vizcarra, José, and de Viado G., Manual, *Extension of Social Insurance Coverage to Agricultural Workers, to the Self-Employed and to Domestic Servants*, Inter-American Committee to Promote Social Security, Montreal (International Labor Office), 1942.

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¹Belgium, Bulgaria, Chile, Costa Rica, Czechoslovakia, France, Germany, Great Britain, Italy, the Netherlands, New Zealand, Peru, Spain, Sweden, Union of Soviet Socialist Republics, Uruguay.

²All countries in footnote 1 (except Peru) and Poland, Rumania, and Yugoslavia.