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Perspective

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Lawmaking in Dog Days

by Raymond Moley

TO CLAIM that this resumption of the final session of the 86th Congress is necessary is a monstrous fraud. The Senate leadership, deliberately or by acquiescence, permitted a slowdown in May and June. To pass legislation in the dog days for political purposes is to put political advantage above a sacred public responsibility. For the intention is either to present strident minority groups with handouts from the Federal revenue or to force a President with a will and conscience to be pilloried by his vetoes in September and October as a man callous to the needs of the poor, the ill, the elderly, and to the necessary public services of the nation. The dog days, according to Webster, are a time of "malignant influences." The phrase is apt.

Let us consider one subject listed for action in this period—medical care for the elderly. It may be taken for granted that the Democratic majority is intent upon carrying out the terms of the party platform on this subject: "We shall provide medical-care benefits for the aged as part of the time-tested social-security insurance system. We reject any proposal which would require such citizens to submit to the indignity of a means test."

POINT OF MADNESS

The Republican platform would allow for optional purchase of private insurance and provide Federal assistance grants to the states for those who need help. It recognizes that to give to all without regard to need would be financial insanity. For no one knows how many would participate in a free scheme for all. We do know, however, that to limit assistance to recipients of social-security benefits would give to many who do not need help and omit many who do.

For the Democratic platform to call social security (OASI) "insurance" is wrong. "Insurance" was never used in the original Social Security Act. It has been judged by the Supreme Court to be a gratuity, not the payment of an equity in insurance. Those who receive payments are getting benefits paid out of the earnings of those below retirement age and by their employers.

The income to the so-called trust

fund is not enough to meet the outgo. The fund could be headed for bankruptcy, and all that those who will have paid into it for years can rely upon is a grant by Congress from general revenues or from a big increase in the present rate of tax. To load health onto the burden—that is to make OASI into OASHI—would, according to William R. Williamson, who used to be chief consulting actuary for the system, carry "fiscal irresponsibility to the point of madness." It is a conservative estimate that OASI plus health "insurance" would shortly cost 20 per cent of the first \$4,800 of payroll.

LEGISLATING IN DARK

The enormous increase in tax on employers would obviously be passed on to consumers in inflationary prices and would be a powerful force in pricing the United States still further out of the world market.

To enact the Forand bill in any modified form would be legislating in the dark. I have read laboriously hundreds of pages of hearings and other literature on the subject and I cannot find that anyone, in either Congress or the Administration, knows how many people would need such help or has any idea of what it would cost.

It is further evident that no one in the government has fully explored how much of the problem could be solved by practical application of tax deductions. For example, a deduction for children or other relatives of aged persons so that private insurance could be bought. There is a moral issue here. Would or would not John F. Kennedy help Father Joe if he went broke and got sick? Or would he disregard the moral strictures of religion and pass old, sick Joe over to a vague thing called society?

Further exploration should be made of tax adjustments for corporations which would provide health-insurance payments for their retired employees. Another possibility would be whatever assistance is necessary to help private insurance to cover elderly people as well as younger ones.

The whole subject should be studied further, and any legislation should be considered next year in a calmer and more rational climate.