

It is gratifying now to have the Joint Economic Committee, however belatedly, take up this challenge.

Noting that practically all of the individual contributors to this symposium come from the halls of académie, this writer, a non-academic, feels intellectually complimented to find himself amidst this school of scholars. Without presuming to explain the composition of this group, one may observe that academics are believed, correctly or not, to have more leisure for theoretical meditation than nonacademics and, indeed, may be expected to "publish or else." This then leads to the query—Is there risk that their contributions will be considered as the theory of a leisure class composed during the leisure of a theory class? In view of the great practical importance of the issues being explored, it is earnestly hoped that the several contributions will not prove to be merely theoretical exercises but will be sources of added insights that aid materially in identifying practical solutions and answers within a framework of a developing economy that is responsive to the uniquely American ideals and objectives of a viable free enterprise system that is also motivated by a recognition of social responsibility. This writer certainly hopes his contribution will serve such practical ends.

In this paper, the term "private pension plans" refers to "qualified" pension and profit-sharing plans covering workers in the private sector and the term "employer-instituted pension plans" refers to the aggregate of such private pension plans and plans covering employees of Federal, State, and local governments.

The 1967 report of the Joint Economic Committee includes the following provocative statement regarding income maintenance:

Transfers of money from higher income families to lower income families and from those with current earning power to those whose earning power is limited through no fault of their own is fast approaching one-tenth of the total of the Nation's output per year. These programs are predominantly public, but there are, in addition, many private programs, most of which enjoy substantial tax benefits to assist them.

In recent years, many questions have been raised about this system of income maintenance, with many contending that the system is ill coordinated, capricious in its effects, inefficient, costly to administer, arbitrary in its standards for deciding who is to benefit, and, in general, interferes with efficient resource allocation, and hence reduces overall efficiency of our economy.

The committee hopes that the study now in progress by our Subcommittee on Fiscal Policy will result in a new set of standards or criteria for judging measures for income maintenance that will be more equitable, efficient, coordinated, and flexible than the present morass of inadequate and often irrelevant programs.

Although this statement may be considered a premature and unduly harsh prejudgment of the nature of existing old-age income programs "before all the returns are in," including the contributions of the current symposium, it does express, as abstractions, desirable objectives