

“immobility trap.” The Congress has an obligation to face plainly the consequences of its past behavior and to undertake corrective steps which will better protect the worker’s security and his freedom by appropriate changes in Federal retirement programs, in the Federal income tax, and in the law concerning welfare and pension plans.

Are we meeting the changing purposes of pensions? From the outset existing law has tended to stress minimum protection together with some reward roughly related to the past productive contribution of the worker. Pensions may be designed to provide retired persons with an equitable share in the growing output. Pensions can be and sometimes are directly protected against inflation and the rising cost of living. Pensions sometimes build estates. It would be possible for the Social Security Act to be amended to provide some combination of these purposes: Minimum protection, plus adequacy related to prior income, plus an automatic adjustment for productivity and for changes in the Consumer Price Index. The social security program now serves the essential purposes of an estate by assuring income to surviving dependents.

Are we planning for a healthier future? More people are living longer. Planning for later years must adjust to that fact. With better health and better medical care, the number of years that persons reaching 65 live will significantly lengthen. Shall law and public policy require full retirement at age 65 or some earlier date? Shall the aged spend an ever-increasing number of years in retirement, with the frequent waste of human potential? Does not the present program seem for those able to work and those desiring to work after age 65 a logical absurdity? Is it not a social waste when one thinks of the great persons who have made their major contributions to the human race after the age of 65? Is it not a human tragedy to put a person on the shelf by reason of a date upon the calendar rather than his own requirements and desires?

Will pension trust funds prove good for the American economy? Father Harbrecht suggests that our society has passed from a property system to a power system. He states:

The pension trusts are becoming one of the primary centers of power in the newly emerging social system. The concentration of power they represent is not the result of a drive for power itself but of the social forces that have been at work for other purposes. They are vast aggregations of wealth, neither public nor private (except in the sense that they are not owned or controlled by the state). They are “owned” by no one in any meaningful sense of the term. Such a phenomenon in a capitalist society, which is traditionally considered the distinction between public and private ownership to be adequate and complete, challenges us to find a rational framework to accommodate it. The old conceptual framework has no room for the pension trusts.

He suggests that the time has come to declare that:

The assets of the pension funds rightfully belong to the employees. Control by the employees for whom these funds were created is nonexistent. The employee does not become independent by reason of a body of capital wealth gathered for his benefit, but through his dependence on this wealth he has become subject to the decisions which are made by others concerning his welfare. Capital reserves dedicated to an employee’s future may work to free him from want but they do not make him more independent. The employee gains economic security without corresponding economic power * * *. While there is no gain in economic power for the employee, there is a considerable increase of power in the corporate employers, in the decisions which are made by others concerning his welfare * * *. Power follows property and it does so inevitably. Thus power has