payments are available than when they are not. The corollary can also be shown—among households not poor, those not receiving social security are likely to enjoy a larger income relative to their estimated minimum need than nonpoor households who do receive social security payments. Among elderly men living alone with income for 1965 above the poverty line, only half of those receiving social security benefits had as much as $750 income—including the benefit payments—over what the poverty criteria stipulates. But among nonpoor elderly men living alone and not receiving OASDHI benefits in 1965, half had at least $2,560 more income than the poverty cutoff. On the other hand among nonpoor aged men living alone and drawing benefits, those with other income high enough so they would not be poor even without the OASDHI payment as a group averaged almost as much in income above the poverty line (after receiving the benefits) as those who got no benefits at all.

The figures suggest that in our society today the relationship between OASDHI benefits and earnings being what it is, it is better—from the standpoint of avoiding poverty—for the aged to work than not to work. If one cannot work, it is better to be able to draw social security benefits than not. But if one does draw benefits, it is better not to need the money. It is obvious that the same factors which would enable a worker (or his dependents) to look forward to a relatively high benefit in old age—namely, a continuous work history with earnings close to or greater than the maximum payroll base—are the same factors which would predispose a worker to maintain his opportunity to earn even in retirement, and to acquire during his working years those other resources—cash savings, private pension rights, an owned home—which can help make retirement living more comfortable.

It is safe to conclude from the evidence that though public transfer programs do much to lessen the number of poor they could do much more. It is clear that for many already receiving help from public programs it is the degree of that help that must be increased if they are to escape poverty, but new programs or extensions of existing ones are required for those now in poverty and receiving no help at all.

A majority of aged persons today already receive income from one public program or another. As a group then, aged households now poor or near-poor will benefit more from increased amounts payable under such programs than from a changed eligibility requirement for payment. But both types of improvement will be needed for poor or near-poor households headed by someone younger than age 65.

George Katona, James N. Morgan:

RETIREMENT IN PROSPECT AND RETROSPECT

We know far too little about the current economic situation of retired people and the factors which make for the prevailing great differences in the well-being of the retired, some of whom are well off while others are not. Some data collected in the 1966 survey of consumer finances will be presented here in order to indicate the importance of some crucial factors that influence the financial position of the retired, stimulate more intensive work on these issues, and provide a tentative basis for predictions.