structure the important life decisions of his children can be restricted by obligations to his own parents. Close observers of the political support for medicare noted that it seemed to come not only from the aged but also from midde-aged persons with both parents and children of their own. In order that retirement not contribute to perpetuating poverty, real income must be predictable as well as adequate when the retirement decision is made so the grandchildren can be helped in making the right career and life decisions.

If I am right about what retirement is coming to mean for Americans, then it is possible to summarize public policy objectives for the aged in terms that are manifest if not widely attained. We can recognize the range of shared values by distinguishing four levels of equity. First, we want everyone to live at least at a minimum level that is not poverty. Second, we desire a higher modest level for those who have contributed through work, even poorly paid work, some of their lifetime. Third, we wish to make employment opportunities available for the aged so that those who are able and desirous of doing so can supplement their incomes beyond a minimum or modest amount. Fourth, we also wish to encourage savings and private pensions so that those most productive and prudent can retire without severe contraction in their personal standards of consumption.

The social security program is a big contender for an incremental role to achieve these objectives, but here we must note the actual and potential dangers created by its early retirement provisions. Early retirement benefits are actuarially reduced. They retiree is stuck with a reduced benefit for the rest of his life or until retiree benefits are liberalized. In this sense, early retirement can be a kind of engine of poverty and it is of increasing concern that over half of male retirees are retiring early on reduced benefits. There is evidence that many of them are motivated by the very absence of alternative opportunities that typifies the aging poor—no job or jobs at such low wages that the reduced benefit is the preferable alternative.

If social security is entering a dubious area in early retirement, unemployment insurance is withdrawing from an area that it should insure—the wages and salaries of aged workers. Some States deny or reduce benefits because of pension income even where the individual continues to demonstrate work force attachment. These States are mistakenly assuming that pension income proves withdrawal or retirement in the old sense. This presumption is maintained even in the face of evidence to the contrary, such as compulsory retirement contract clauses, active search for work after such retirement, or taking another job after retirement.

OASDHI was enacted to take the wind out of the Townsendites, to take older people out of the labor market, to make the improvident provide for their old age so that the provident wouldn't have to care for them later, to give all persons—including the provident—some protection against the risks to savings inherent in the private economy, and to serve as a buffer to poverty in old age. All of these functions have been or are being served. The question remains: How much more of a contribution toward eliminating aged poverty should be expected of social security?