

EQUALITY AT THE STARTING LINE

We would like to concentrate here on two main problems—domestic economic stabilization and international economic relations. However, we must also say a few words about another problem which we regard as one of the most critical, perhaps the most critical, now facing us. That is the problem of bringing disadvantaged groups more fully into the mainstream of our economic life. We are unable to say much about this today because we, like others in the administration, are in the early stages of reviewing the efforts that have been initiated in recent years to deal with this problem.

At an early stage of history membership in a family or class was considered to be a proper criterion for access to material affluence. Then came a breakthrough as we insisted that every person should be able to go as far as his inclinations, energy, and ability could carry him, regardless of class or race or sex. Today we are in the midst of another breakthrough as we realize more fully the implications of the fact that people begin life's race unequally positioned around the starting line. Some begin so far back, through early cultural or educational handicaps, that latent ambition and ability never have the opportunity to flower and activate. The expectations of the poor and the conscience of the community as a whole, in short, will not be satisfied only to reap the gains for the poor yielded by continued economic progress and high employment.

We must, of course, always remember that American economic growth has been the most effective engine in history for eliminating poverty, and this continues to be the most basic requirement for progress here. And the maintenance of reasonably full employment will continue to contribute to the reduction of poverty. Especially in the short run, therefore, measures to increase the steadiness and productivity of employment can deal with only part of the problem. As poverty is now commonly measured, over half of the heads of poor households are unable to work, because of age or disability or because they are mothers of small children. In the longer run increasing employment and productivity will reduce the numbers of such people in poverty also. But for the present we must accept the fact that there are millions of poor for whom strong employment conditions generally will not be the answer.

For these people income support or income insurance is necessary. We do have systems for this, including social security and public assistance, through which large sums of money are paid. However, the public assistance, or welfare, system we have today does not measure up to the goals and capabilities of the American society. In many States the amount provided is grossly inadequate, and the terms on which support is given are often demeaning. Also, experiments are underway with procedures for making the determination of eligibility more objective and less objectionable. We look forward to rationalization and improvement of the income support system as a major objective for the Nation.

The ability to transfer money through the budget is not unlimited, of course, for economic as well as political reasons. If we now raise assistance for the poor in our scale of national priorities, as we should, we should be rigorous in trimming those budget flows which serve