



The Phyllis Schlafly Report



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Eagle Forum Defends Wives and Mothers

The women's liberation movement has tried for years to eliminate Social Security benefits for dependent wives (homemakers), mothers, and widows. The feminists want women to be able to receive Social Security benefits *only* (a) if they are in the labor force paying their own taxes, or (b) if a husband pays double taxes for the privilege of having his wife in the home.

If this radical change in our policy ever came about, it would be a powerful inducement to move all wives and mothers out of the home and into the labor force. The women's liberation movement is forever bragging enthusiastically about the large numbers of wives who have moved into the labor force in the last several years. The feminists want to move all women into the labor force for their entire lives. The feminists see this goal as an end of "discrimination" against women. Of course, it would eliminate the career of motherhood and would require child-care to become a responsibility and probably a function of the government.

In various forms, the elimination of the dependent wife's and widow's benefits has been urged by Congresspersons Bella Abzug, Martha Keys, and Donald Fraser, by financial columnist Sylvia Porter, and by the Commission on International Women's Year.

Jimmy Carter's Social Security Administration launched a massive campaign to sell this radical notion to the American people by the publication in the spring of 1979 of an official book called *Social Security and the Changing Roles of Men and Women*. It cost the taxpayers \$215,000. The 400 persons and groups who gave advice to the Social Security Administration prior to the publication of this book included Bella Abzug, the American Association of University Women, John Brademas, Yvonne Burke, Business and Professional Women's Clubs, Shirley Chisholm, Ruth Bader Ginsburg, Catherine East, Millicent Fenwick, Donald Fraser, Martha Griffiths, Martha Keys, Barbara Mikulski, National Organization for Women, National Women's Political Caucus, Mary Rose Oaker, Patricia Schroeder, and Eleanor Smeal.

When the Social Security Administration tried to sell this radical notion to the American people in the fall of 1979 by staging regional hearings across the country (at a cost of \$1 million), readers of the *Phyllis Schlafly Report* were well-informed about the plan, and members of *Eagle Forum* were ready to take action. *Eagle Forum* members were articulate and effec-

tive in testifying in defense of the wife's and widow's benefits. As a result, the National Commission on Social Security unanimously rejected all proposals to wipe out the wife's and widow's benefits.

On November 18, 1980, the front pages of newspapers all over the country carried the news story that Rita Ricardo Campbell, chairman of Ronald Reagan's Task Force on Social Security, proposed eliminating the dependent wife's benefits. Mrs. Campbell did not have the approval of Ronald Reagan or even of her own Task Force members for this proposal or its publication. Then she followed this up by promoting her plan on the MacNeil-Lehrer national television program on January 2, 1981, and she reiterated it again in February 1981 in testimony before the House Social Security Subcommittee.

Eagle Forum went into action again. Witnesses defending the wife's and widow's benefits at a Social Security Subcommittee hearing on March 6 included Phyllis Schlafly, Judith Finn, Connaught Marshner, Onalee McGraw, Elaine Donnelly, and Terry Todd. Their testimony was cordially received by the Congressmen on the Social Security Subcommittee, who assured them that the wife's and widow's benefits will be retained.

Testimony by Phyllis Schlafly To the U.S. House Ways and Means Committee Subcommittee on Social Security March 6, 1981

My name is Phyllis Schlafly, a wife and mother of six children, and the volunteer national president of *Eagle Forum*, a national pro-family organization. I live in Alton, Illinois.

My testimony speaks in support of the Social Security benefits paid to dependent wives and widows. Such benefits have been part of the Social Security system for more than 40 years, but are now under attack from the so-called feminist movement and by previous witnesses before this Subcommittee in 1981.

Dependent wives as a class are the greatest financial asset the Social Security system has. Since Social Security is a pay-as-we-go system (i.e., today's benefits are paid from today's taxes; tomorrow's benefits will be paid from tomorrow's taxes), the Social Security re-

tirement benefits which will be received by today's workers are wholly dependent on tomorrow's crop of young workers paying into the system.

The paramount reason for the future financial problems facing Social Security is the dramatic decline in the American birth rate over the last few years. The U.S. birth rate is now below population maintenance level.

By bearing and nurturing six children, who have grown into educated and well-adjusted citizens who will pay decades upon decades of taxes into the Social Security system, I have done vastly more *financially* for the Social Security system than any worker who pays taxes into the system all his or her life. In the normal course of events, my four sons can be expected to pay taxes into the Social Security system for 40 to 50 years each, and my two daughters for 10 to 20 years each. That is many times the financial value of a male or female worker who pays taxes into the system all his or her life.

In addition to this financial contribution to the Social Security system made by the dependent wife and mother, the benefits to society from her career lifestyle are tremendous and real, even though they are difficult to calculate in dollars. When a wife and mother spends her time in the home rearing children who are moral, law-abiding, industrious, educated, emotionally well-adjusted, and capable of forming strong families of their own, she makes the greatest of all contributions to a healthy society and to the future of our nation.

The dependent wife and mother -- who cares for her own children in her own home -- performs the most socially necessary and useful role in our society. The future of America depends on our next generation being morally, psychologically, intellectually, and physically strong.

Our public and tax policy should encourage strong families and should encourage mothers to care for their own children. It would be a tragic mistake for Congress ever to adopt any public or tax policy which encourages mothers to assign child-care to others and enter the labor force. Such a policy would clearly be anti-family and against the best interests of our nation. What is particularly relevant here is that such a policy would deal a fatal blow to the long-term financial integrity of our Social Security system and to its ability to serve our national needs.

For more than 40 years, the payment of Social Security benefits to dependent wives and widows has been official and tangible recognition of the value of their lifestyle to their families, to society, and to the financial solvency of the system. The wife's benefit performs exactly the same necessary function as it did in the 1930s.

But now a few aggressive groups of women, with good jobs plus the ability to speak and write, have ganged up to ask Congress to take away the dependent wife's and widow's benefits. I use the expression "ganged up" because that's exactly what it is. The list of the 400 persons who gave advice to the Social Security Administration in connection with its publication of the 1979 book called *Social Security and the Changing Roles of Men and Women* included most radical feminist leaders but not a single dependent wife.

As this Subcommittee knows, *The Changing Roles* report proposed three alternative plans for the radical restructuring of Social Security, all of which would eliminate the dependent wife's benefit. Under Plans A and B, the dependent wife would then be given one-

half of her husband's benefit -- plus a lot of jargon to deceive her into believing that she would be better off with a cut of about \$100 a month in retirement benefits. Under Plan C, the husband of the dependent wife would be forced to pay double Social Security taxes (at least \$1,000 per year in additional taxes) in order for his dependent wife to receive the same benefits she gets now.

When *The Changing Roles* proposals were presented to the public in hearings all across the United States in 1979, they simply didn't sell. The public reacted with indignation to this attempt to punish the dependent wife and the traditional family. In addition, both the Quadrennial Advisory Council on Social Security and the National Commission on Social Security flatly refused to recommend Plan A, B, C, or any plan to wipe out the dependent wife's or widow's benefits. Now we hear that 1981 witnesses before this Subcommittee have recommended wiping out the dependent wife's and widow's benefits.

Rita Campbell's Testimony

Thus, Rita Ricardo Campbell urged "a phase-out of the retired spouse's secondary benefit ... [and] a phase-out of the surviving spouse's secondary benefit." (Her terminology is synonymous with my use of the terms "dependent wife's benefit" and "widow's benefit.") When we analyze Mrs. Campbell's testimony, we see that she gave no logical arguments at all for her radical and shocking proposal.

1. Mrs. Campbell uses "epithet argument" by smearing the dependent wife's benefit as part of the "burden of the welfare-type, benefit payments."

But the fact is that the dependent wife's benefit is *not* a welfare payment at all, and never has been. The dependent wife's benefit represents our 40-year public policy of recognizing the value to society and to Social Security of the wife/mother in the home. The real "welfare benefits" in Social Security are the weighted benefits paid to low-income workers who do not pay nearly enough taxes to justify the retirement benefits they receive; but Mrs. Campbell does not propose to eliminate the weighted-benefit formula.

2. Mrs. Campbell says that her proposal "recognizes the major socioeconomic changes of the last 30 years; the revolutionary increase in the number of women in the paid labor force."

But the fact that millions of wives have entered the labor force is *no* argument at all for taking away benefits from those who remain in the home! A dependent wife needs her benefit today for exactly the same reasons that the dependent wife's benefit was put into the system 40 years ago. The movement of so many wives out of the home into the labor force makes it more important than ever before that public policy encourage mothers to stay in their homes and care for their children.

Looking at the cost of paying the dependent wife's benefit, Mrs. Campbell's argument cuts *against* her conclusion, and not for it. The fact that millions of women have moved into the labor force means that the dependent wife's benefits cost less and less with each passing year. If it is true, as Mrs. Campbell alleges, that by the year 2000 practically all women will be in the labor force (which I do not believe), then the dependent wife's benefit would have a near-zero cost long before the end of Mrs. Campbell's proposed "phase-out" period.

It is obvious that Mrs. Campbell's proposal is designed to provide deliberate incentives to propel all women into the paid labor force as soon as possible. In her previously published article "The Problems of Fairness," she makes this clear: "The current system ... discourages women from working outside of the home ... It may be in the area of inducing a higher labor force participation rate by women ... that long-run solutions may be successfully sought."*

3. Mrs. Campbell's proposal is so insensitive toward motherhood that the transcript of her testimony is almost incredible to read. After urging the elimination of the wife's and widow's benefits, she offers a miserly crumb to the dependent wife -- "two or three years of earnings credit" for "each of the first two children born to a woman." That means *no* credit at all for caring for children over the age of two or three years, and *no* credit at all from date of birth for caring for all children after the second child in a family.

On the following page, Mrs. Campbell admits that by the years 2000-2010, under her plan, "women who have relatively large families" will be totally without Social Security coverage. It is obvious that she would define "relatively large" as more than two children.

Her argument assumes that society has no interest in how much time a mother spends caring for her babies, or if, indeed, she spends any time at all. This is an unacceptable assumption for American policy.

4. Mrs. Campbell tries to make her proposal palatable by setting a long phase-out period: 30 years for the wife's benefit and 50 years for the widow's benefit.

However, to any mother who cares about her daughter's future, it is no argument at all to say, "Don't worry; the policy won't hurt you -- it will only hurt your daughter." Mothers want their daughters to have at least as many opportunities as we had, and we are not willing to accept a public policy which denies the daughter's right to choose the career of fulltime wife and mother.

Benefits Fair To Women

The typical feminist complaint against the wife's benefit is that "it isn't fair" for a dependent wife to receive as large a Social Security benefit as the working woman. This argument depends on your scale of values. The feminists believe that, by definition, the dependent wife isn't worth much because she isn't paid in cash wages.

On most people's scale of values, however, the dependent wife is worth just as much as the working wife. If she nurtures two children to adulthood, she is worth a great deal more to Social Security. In relation to the long-term financial integrity of Social Security, she is worth much, much more if she nurtures more than two well-adjusted children to adulthood.

The feminists have no legitimate complaint because, in fact, female workers are treated exactly like male workers -- which is what the feminists have been asking for. As we all know, because of Supreme Court decisions and statutory changes, there is *no* sex discrimination against women in Social Security. Actually, the female worker gets more for her tax dollar than the male worker because she lives longer.

It is in the best long-term interests of female workers as well as male workers for public policy to encourage the dependent wife to care for her own children rather than to induce her to enter the labor force. Economists generally agree that (1) when women enter the labor force, they have fewer children than they otherwise would have, and (2) the

elimination of the wife's benefit would cause an increase in the number of wives seeking employment. Therefore, the social and economic costs of artificially inducing more millions of wives into the labor market could be tremendous.

There is no future for the Social Security system at all if the American birth rate drops much lower than it is now. From 1960 to 1977, the number of women in the labor force increased 8.7 million and the number of persons unemployed increased 3 million. The costs of dealing with the unemployment problem have contributed mightily to inflation, which in turn induces more wives to enter the labor force.

To eliminate the dependent wife's benefit would strike a mortal blow to women's economic ability to choose a traditional family lifestyle because it would impose such financial penalties upon it. But eliminating the dependent wife's benefit would not give the working woman any increased benefit. Why, then, is a little group of highly educated working women, all with their own PIAs, trying so hard to wipe out the dependent wife who is in her nursery or kitchen and may not have the skills to defend herself?

Motivation is a difficult question, but after reading the literature on the subject, I conclude there are two reasons: (1) the belief that it is a social good to move all (or most) wives and mothers into the labor force (and assign child-care to "professionals," such as in government centers), and (2) envy that the Social Security system values the dependent wife as much as the working woman.

Wives Are Not Obsolete

The feminist movement is trying to make the dependent wife obsolete. But she is not obsolete. Babies in the 1980s are no different from babies in the 1930s; they need mother-care just as much. We should applaud and encourage the wife who chooses to give her children fulltime care. That decision involves significant financial sacrifice since families with dependent wives have family income about one-third lower, on the average, than when the wife is in the labor force.

The Social Security system is beautifully and wisely designed to accommodate women's different careers and lifestyles. The dependent wife's benefit serves those in the 1980s who make homemaking their primary career just as it served wives in the 1930s. No woman is forced to accept the dependent wife status or benefit.

In addition to the social and economic implications of this issue, the political implications should also be mentioned. Social Security affects more people in America than any other governmental, religious, social, economic, or academic institution. At the grassroots level, no single issue is so compelling. It is difficult to think of any proposal so unpopular, so volatile, or so politically dangerous to any President or Congressman espousing it, as a proposal to eliminate the wife's and widow's benefits in Social Security.

Since the start of Social Security, no class of beneficiaries has ever been legislated out of the system. Even a serious discussion of this feminist proposal by this Subcommittee would cause a loss of confidence in Social Security. It would be like the Ways and Means Committee discussing whether the U.S. Government should close the banks because they don't have enough funds to pay their depositors.

The proposal to eliminate the wife's and widow's benefits should be identified as what it is: a radical feminist proposal to punish the woman who chooses to be a dependent wife so she can care for and nurture her own children; an anti-family proposal which would put such financial penalties on the traditional family lifestyle that it would tend to drive it out of existence; a financially costly proposal which would further reduce the birth rate and tend to bankrupt Social Security; an economically risky proposal which would increase unemployment; and a foolish proposal which would result in high social costs in terms of neglected and institutionalized children.

* Published in *The Crisis in Social Security: Problems and Prospects*, Michael J. Boskin, Ed., Institute for Contemporary Studies, San Francisco, 1977, p. 186.

Testimony by Judith Finn To the U.S. House Ways and Means Committee Subcommittee on Social Security March 6, 1981

My name is Judith Finn. I am a homemaker from Oak Ridge, Tennessee. I was trained as an economist and political scientist. I worked for several years doing public policy research and teaching political science before I became a mother 5 years ago.

I became interested in the treatment of women under Social Security when I heard former Secretary of HEW Califano on the news saying how the proposals in the *Changing Roles Report* would improve the treatment of women -- by cutting the benefits for the one-income family by 19%. I got a copy of that report and began, what turned out to be, a 1½-year thorough evaluation of the proposed reforms of the Social Security system with respect to the treatment of women. This research is now being published as a monograph by the Free Congress Research and Education Foundation in Washington.

The main conclusion of my research is that the dependent wife's benefit should be retained, even in the face of the necessity to cut the total costs of Social Security. I am grateful for this opportunity to summarize the results of my research here today.

Many of the proposed reforms for the treatment of women under Social Security have in common the elimination of the wife's benefit. Most of the arguments are specious and none provides an adequate rationale for the elimination of the benefit.

Benefits for wives and widows were added to Social Security in 1939 to strengthen protection for families -- in direct recognition of the family as the basic unit of our society and of the value of mothering and homemaking. In my study I found that the wife's benefit is still performing its original function of providing economic security in retirement for the one-income family and for the two-income family with a secondary earner who is primarily a homemaker. It continues to guarantee a minimum benefit to wives whether they work inside or outside the home.

The most important reason that the wives' and widows' benefits should be retained is that, totally apart from the income effects of cutting this benefit from traditional families where the wife has been primarily a homemaker, it would have severe adverse effects on the society as a whole. That is, the elimination of these benefits would induce many mothers who would otherwise choose to stay at home and take care of their own children to enter the labor force.

This assertion is not a matter of disagreement among economists. Indeed some like Rita Ricardo-Campbell have even argued that it would be a good thing for the long-run solution to Social Security financing. But my careful review of social science research that bears on this question indicates that it would *not* be a good thing.

Most importantly, inducing mothers into the labor force who would otherwise have chosen to stay at home will adversely affect the quality of child care and child development. Research in the field of child development documents the importance of children being cared for by their mothers (or mother figures) in the home for proper development. A review of the work of research psychologists concludes that the trend toward more and earlier out-of-family care is without any systematic research basis and has negative social, emotional, and cognitive effects on children as a result of mother-child discontinuity. They also conclude that the strength and quality of attachment or bonding is principally determined by the amount and kind of care given by the mother (or mother figure). They stress the importance of full-time child and parent involvement in the home and its related activities.

The results from the developmental psychology literature on the importance of mothers' influence on child development are bolstered by the results of human capital

studies by economists. They have proven that parental time inputs are positively related to child development as measured by the child's educational attainment and subsequent earnings. Further, time budget studies document the fact that parents spend less time with their children when the mother is working outside the home.

It might be argued that these research results should be questioned because they conflict with our experience. We all know working mothers whose children have turned out just great. However, the research results I am referring to are based on averages and cannot be refuted by citing individual cases which are exceptions.

Further, it is worth noting that the extent to which parental time inputs to their children decline when mothers work outside the home varies with the educational level of the mother. College-educated mothers have been shown to reduce their child-care time by only about 25 percent when they go to work in paid employment -- while high-school-educated mothers show much larger reductions in child-care time. Since most of us have had the advantages of a college education and spend most of our time in the company of similarly educated people, it would be dangerous to generalize on this subject from observation of the people around us. Thus the negative effect would be the greatest on those children who need the most help, that is, those whose parents have below average levels of education and spend comparatively less time on child-care in the first place.

The second adverse effect of inducing greater labor force participation by married women through eliminating wives' and widows' benefits is that it would worsen the already difficult financial situation projected for Social Security during the second and third decades of the 21st century. This is so because there is a negative relationship between fertility and labor force participation. A decline in the birth rate would mean a decline in the number of future contributors to the pay-as-you-go Social Security system, an effect that would offset some of the savings projected by the elimination of these dependents benefits.

The third adverse effect is that, if the government adopts policies which induce more married women into the labor force, it will exacerbate the problem of high youth unemployment and create increased pressures for the kind of monetary and fiscal policies which have contributed heavily to the high rate of inflation we suffer today.

No economist would deny that the unemployment problem has been made more difficult by the continual increase in the proportion of women who are working or looking for work. The social programs which have been designed to help combat the unemployment problems of the disadvantaged, like CETA, cost billions annually and contribute to our current high rate of inflation. Without denying that all women who wish to work have the right to compete freely and equally in the labor market, it must be concluded that our Social Security policy should *not* induce full-time homemakers to enter the labor force.

In closing I note that I am appearing here not as a political activist but as a researcher. Each of my assertions is fully documented in the written statement I have filed with your Committee. The fact that these research results have not previously been introduced into the discussion of the treatment of women under Social Security is, in my mind, a curious omission. I suspect it is related to the fact that most homemakers are not researchers. Further, it seems that those paid to provide you with guidance on this subject have mixed their values about preferred lifestyle with their research -- otherwise the omission is inexplicable.

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