

*The Politics of the Welfare State as
Seen by Wilbur J. Cohen*

By Odin Anderson

Edited by Ronald Andersen,
Arthur Kohrman,
and Claire Kohrman

Table of Contents

Foreword: About Odin Waldemar Anderson (1914–2003) and this Manuscript	i
Chapter 1: Early Environment 1913–1934	1
Chapter 2: The Social Welfare Structure and Its Heritage in the Early Thirties in the United States	10
Chapter 3: Cohen Goes to Washington 1934–1936 The Formulation and Implementation of the Social Security Act 1934–1937	21
Chapter 4: Cohen Discovers a Strategy—Creativity in a Marginal Role, 1937–1956	32
Chapter 5: Return to Academia—University of Michigan, Ann Arbor 1956–1960	59
Chapter 6: Return to Washington 1961–1963; The Kennedy Administration	79
Chapter 7: The Social Legislation Volcano—Johnson Administration 1963–1969	104
Chapter 8: Return to Academia—University of Michigan, Ann Arbor 1969–1979: The Nixon Administration 1970–1974, The Carter Administration 1976—1980	161
Chapter 9: Who Was Wilbur J. Cohen?	218
Postscript: Cohen and the Prevailing American Social and Political Philosophy, 1970s to 1993	255

FOREWORD

About Odin Waldemar Anderson (1914 – 2003) and this Manuscript

Odin Anderson, a founding member of the ASA section now known as the Medical Sociology Section, was our mentor and colleague for many years at the University of Chicago, Center for Health Administration (CHAS). When in 1980 Odin reached mandatory retirement (65 years at the U of C), he returned to the University of Wisconsin-Madison as Professor in the Department of Sociology. However, for over ten years he also continued research and teaching at The University of Chicago as an Emeritus Professor.

In Wisconsin he began research on the sociopolitical history of Wilbur Cohen, the “Father of Social Security”, delving into the archives of the State Historical Society of Wisconsin and extensively interviewing Cohen’s family and Associates.

In 1992 he completed a draft of *The Politics of the Welfare State as Seen by Wilbur J. Cohen* and tried unsuccessfully to get a publisher. He left the manuscript with us, asking us to read it, edit it, and suggest a way to get it published. Shortly after, he retired fully as he suffered from increasingly ill health.

The manuscript and our efforts then languished for several years but were reinvigorated by the national debate concerning national health care reform legislation. As we reread the manuscript we were struck again by its relevance for understanding current times but also by the need for substantial text editing for clarification.

Both because of Odin Anderson’s profound influence on medical sociology and his seminal contributions to the study of Health Care Systems, and because of the timeliness of this material, it seems fitting that the Medical Sociology Section should make available to the Section members his last unpublished study: *The Politics of the Welfare State as Seen by Wilbur J. Cohen, a Professional Reformer, 1934-1979*. Cohen’s wisdom as elucidated by Odin in this book deserves an audience. The parallels to the present are astonishing. It is a masterpiece of *realpolitik* and has all kinds of lessons for current and future researchers and policy makers. We wish the current Washington administration and congress had read and understood lessons to be gleaned from it about health and welfare reform, social security and the national debt,

But what about the author who wrote about the architect of Social Security and advocate for health care reform? Odin Anderson received his B.A. (1937) and M.A. (1938) degrees in sociology from the University of Wisconsin-Madison. He then moved on to the University of Michigan where he received a B.A. degree (1940) in library science and his Ph.D. degree (1948) in sociology. While at Michigan Odin became the first sociologist to work in a school of public health, helping to establish a research program in medical care and a health services research library. In 1949 he accepted a tenure-track associate professor position in the Faculty of Medicine, University of Western Ontario, Canada – another first for sociologists to join faculties of medical schools.

In 1952 Odin Anderson became Research Director of the Health Information Foundation (HIF) located in New York. This non-profit research agency was founded by the drug, pharmaceutical and chemical industries in 1950 to provide information and data for public policy formulation in the United States. Odin developed and directed a unique and highly successful research program based on national surveys of the medical care use and expenditures of the U.S. population. These surveys provided the only population-based data at the time. He also developed cross-national comparisons of the operation of health services delivery systems and health insurance.

HIF moved to The University of Chicago, in 1962 where it was renamed The Center for Health Administration Studies (CHAS). Odin Anderson continued to serve as research director and became a professor in the Graduate School of Business and the Department of Sociology. CHAS flourished under Odin's direction expanding its national and international health services research program with support from foundations and the federal government. CHAS served as a national model and reference point for health services research.

In 1980, after retirement from The University of Chicago Odin returned to University of Wisconsin-Madison with a half-time professorship in the Department of Sociology and also taught and did research another ten years at CHAS as a Professor Emeritus. In this last period of his research career he continued to be incredibly productive as he conducted a health-maintenance organization study in Minneapolis-St. Paul and Chicago, wrote books on health services of seven countries and a history of the development of American health services since 1875 as well as this study of Wilbur Cohen.

Odin Anderson's legacies extended beyond health services research. We remember his legendary harmonica playing--including Norwegian dance tunes, American jazz and blues; his wonderful sense of humor and entertaining stories, his passion for teaching (he once told us he salivated when he saw a class room); and the marvelous hospitality he and his wife, Helen, exhibited toward his colleagues and students. Odin's legacy of publications and lessons for the field has been validated by numerous recognitions including Distinguished Medical Sociologist by the Section on Medical Sociology of the ASA in 1980. Among his prolific publications approaching the status of classics in the field are: *Family Medical Costs and Voluntary Health Insurance: A Nationwide Survey* (1956, with J.J. Feldman); *Health Services in the United States: A Growth Enterprise since 1875* (1985); *The Health Services Continuum in Democratic States: an Inquiry into Solvable Problems* (1989); and *The Evolution of Health Services Research: Personal Reflections on Applied Social Science* (1991).

We feel fortunate to have this last of his manuscripts and are eager to make it available to the Medical Sociology Section and others who will see the interesting parallels with and lessons for our turbulent decade. Thus, we approached the Medical Sociology Section and asked if they would put an edited version of Odin's manuscript on their web site and announce its availability to all Medical Sociology Section members. They agreed.

We began our editing job trying for improved clarity, accuracy, consistency and syntax. Counting on our past experience with Odin and his approach we have tried not to alter Odin's organization or message. We made one exception to this editing protocol: we changed the title of Odin's original concluding "Chapter 10: *Cohen and the Prevailing American Social and Political Philosophy, 1970's to 1993*" to "*Postscript*." We would rather that the reader consider Chapter 9: "*Who was Wilbur J. Cohen*" as the concluding chapter. Odin wrote the "*PostScript*" in 1992 and this is 2011 – 19 years later. In his original concluding chapter Odin reflected on the then "current literature", mostly from Cohen's death to current time (which for him was 1993). He characterized the early 90's as "taking a tone of considerable pessimism rather than the unconsidered social and political optimism, ... before the 1950's." In this Postscript he also provided his observations on "the prospects for the attainment of all of Cohen's objectives (for the US to become a welfare state) "given the swings of liberalism and conservatism every 30 years." It is not fair to the reader or to Odin to consider his observations in the Postscript as conclusions to his book, when he meant the referent to be current time for the reader--not two decades earlier. On the other hand we wanted to include material from the "Postscript" not as "conclusions" but to provide further insight into Odin's interpretation of Cohen's objectives and what 'the future' would hold for healthcare reform in the US. We feel it indicative of Odin Anderson's insights and farsightedness that his predictions for the "future" from a 1993 perspective seem about as realistic as those we are seeing in the chaos of 2011.

While Odin's manuscript was probably the first biography completed on Wilbur Cohen (1992), it was not the first published (1995): Edward Berkowitz. *Mr. Social Security: The Life of Wilbur J. Cohen*. Lawrence, KS: University Press of Kansas, was published in 1995. Professor Berkowitz acknowledges, "Odin Anderson shared ideas with me as together we worked on the life and times of Wilbur Cohen." Berkowitz provides a well-documented account of the life and influence of Wilbur Cohen from the perspective of a historian. Anderson provides an account of a unique individual and his influence on the health and welfare system from the perspective of a sociologist. Both need to reach communities of scholars, policy makers and the informed public.

We could not find an electronic version of Odin's manuscript. We want to thank Shirin Shahidi whom we enticed to painstakingly enter the typed 1992 manuscript into a contemporary Word file from which we did our editing. We are grateful to former and current chairs of the Medical Sociology Section, William Avison, Stefan Timmermans and Eric Wright for allowing Odin's manuscript to go online and to Tim Gallagher for putting it up on the Med Soc web site. We invite you to explore this early 90's manuscript written about the 60's and 70's and find, as we did, insights for 2011 and beyond. It is certainly meant to be a tribute to the insight and foresight of Odin Anderson which was, perhaps, our main purpose.

Claire H. Kohrman, PhD
Community and University Consultant
Member, Medical Sociology Section

Arthur F. Kohrman, MD
Professor Emeritus
Pediatrics & Preventive Medicine
Feinberg School of Medicine
Northwestern University

Ronald Andersen, PhD
Wasserman Professor Emeritus
Health Services & Sociology
UCLA - School of Public Health
Chair, Medical Sociology Section (1980-1981)

Preface

Wilbur J. Cohen devoted his career to the promotion and implementation of the various provisions of the Social Security Act of 1935. Without exaggeration, it was the central passion of his life from 1934 when he became a research assistant to Edwin E. Witte, Professor of Economics, University of Wisconsin – Madison until he died in 1987. Witte was called to Washington by President Franklin D. Roosevelt to become Executive Director of the Committee for Economic Security. Cohen had just completed a Ph.B. in economics and history, and was a student under Witte. Cohen was only 21 years of age, but he moved energetically into the political vortex during the New Deal period. He was in government service from 1934 to 1956, under presidents Roosevelt and Truman, and Eisenhower.

From 1956 to 1960 he was Professor of Social Welfare Policy, School of Social Work, University of Michigan, Ann Arbor. Even while he was at the University of Michigan he spent much of his time, corresponding with and traveling to Washington. The University of Michigan base permitted him to operate in this free-lance fashion

When John Kennedy was elected president in 1960, Cohen answered a call from the new Democratic president to become Assistant Secretary for Legislation in the Department of Health Education and Welfare (HEW). When Lyndon B. Johnson, then vice-president succeeded Kennedy assassinated in November 1963, President Johnson kept Cohen on. Later Johnson appointed him Undersecretary of HEW. During the last year and a half of Johnson's presidency, Cohen remained Secretary of HEW, until 1969 when Richard Nixon became President.

In 1969 Cohen returned to the University of Michigan as Dean of the School of Education and Professor where he remained until 1979. While at Michigan he again, spent a great deal of time in correspondence with Washington and giving talks throughout the country. In 1980 he accepted the position of Professor of the new Lyndon Baines Johnson School of Public Affairs, at the University of Texas, Austin, Texas where he died in 1987 at the age of 73.

The foregoing is a skeletal preview of what is to come in much greater detail. My interest in Cohen's life and career is motivated by the fact that our respective lives ran parallel to the

cataclysmic events of the twentieth century. Cohen was born in 1913. I was born in 1914. Cohen grew up in a Jewish and other ethnic immigrant enclave in Milwaukee near its downtown. His parents ran a “ma and pa” grocery store-- I came from a dense settlement of Norwegian immigrants and their descendants in western Wisconsin and grew up on a dairy farm.

We are both products of the Progressive period and the heritage of the heady liberal atmosphere of the University of Wisconsin in the early Thirties. Our respective rural and urban backgrounds notwithstanding, our academic and political interests coalesced. Cohen was at the University of Wisconsin from 1930 to 1934 while I was there from 1932 to 1936. We, however, did not chance to meet then. My interest in the welfare state concept occurred after 1934. By this time Cohen was in Washington. I followed the New Deal developments avidly, being very sympathetic to it and the Democratic Party. Cohen and I shared the same liberal, vital center political philosophy to retain capitalism, but through government to cushion the ravages of periodic unemployment, with subsequent loss of income and elderly workers retiring with little income. Capitalism was to be given a “human face.”

My overall plan is to relate the man and his life to the events and problems of his time. To what extent was he proactive? To what extent was he reactive? Cohen was interested in history--to what extent did he need to adjust to events? To what extent did he think by his actions that he could shape history given certain combinations of circumstances? His work with Lyndon Baines Johnson signaled to him the possibility of shaping history toward a more humane society. Did his ebullient pragmatic optimism give way at times to the sense of the tragic in the human condition?

Usually, as pointed out to me by Jack Barbash, professor emeritus and labor economist at the University of Wisconsin-Madison, books about the development of public policy are written by people from the lofty pinnacles of power, ignoring the nitty-gritty details of the lower echelon familiar to foot soldiers in this process. Cohen finally achieved a distinct policy position under Johnson rather than the civil servant that he was most of his professional life. Nevertheless, as a

civil servant with his congenial personality and sense of strategy he had an immeasurable impact on policy.

I had been thinking about a biography of William J. Cohen as a professional social reformer for some time. Fortunately, colleagues encouraged me to seriously consider this endeavor. They told me that I would be the right person for this task in that I had been in the health field since 1942 as an academic researcher and teacher observing welfare state politics concerning the health services delivery system, health insurance, and medical need and demand. The first nudge came in the late 1970's from Professor of Pediatrics Arthur Kohrman, my colleague at the University of Chicago. I retired from the Graduate School of Business and Department of Sociology at Chicago in 1980 to move to Madison Wisconsin. On hearing of this impending move, the Department of Sociology, University of Wisconsin-Madison offered me a half-time professorship to teach courses in Medical Sociology and health policy, and engage in whatever research I wished. The program in Health Services Management in the Medical School was also interested in my Madison move and I was appointed to that faculty as well. As a result of this move I came in contact with labor economists, particularly, Jack Barbash and Robert Lampman. I discussed my interest with them and they enthusiastically encouraged me to write the biography. I also learned that Cohen had deposited volumes of material in the archives of the State Historical Society of Wisconsin in the library on the campus, close to my office on Bascom Hill.

My historical method is quite straightforward. Fortunately, given Cohen's archives, the bulk of my sources are primary, depicting the man and his activities in great detail. I use rather voluminous secondary sources to construct a historical context of events from 1920's on in which Cohen became aware of the world (as did I). In addition, I have conducted intensive and frank interviews with Cohen's contemporaries in government and academia who had worked with him and knew him well, and with his wife, Eloise, and his three sons, Christopher, Bruce, and Stuart.

After I had started to work in the archives in September 1990, I found correspondence that further stimulated me further to pursue my objective—an appeal to my vanity. I found a letter to myself dated May 28, 1957 when I was Research Director of the Health Information Foundation in New York from 1952-1962 where I was directing research on the problems and statistical trends of the American health services and mortality and morbidity trends. I published a monthly statistical bulletin called *Progress in Health Services* sent to thousands of appropriate recipients as a public service. (The Foundation was funded by the pharmaceutical, chemical, and drug industry.) Cohen was then Professor of Social Welfare Policy at the University of Michigan. He requested back numbers of *Progress in Health Services* and other material for a summer institute for public welfare administrators. I, of course, knew of Cohen but we had never met. Two years later August 4, 1959 I received a personal letter. “The material you are turning out is wonderful. Keep it up. It is great help to those of us studying medical economics.”¹

I did meet Cohen for the first time in San Francisco at the national meeting to the National Conference on Welfare, May, 1959 where I was giving a paper. Fred H. Steininger, Director of the Department of Public Welfare, Gary, Indiana and Chairman, Social Research and Social Studies Committee of the Conference, wrote to Cohen on October 23, 1958 inviting him to discuss my paper “Needed Research in the Medical Care Field.” Cohen wrote back on November 6, 1958: “I shall be glad to be the discussant for Odin Anderson’s paper. He is a very competent man and I am delighted and honored to be able to participate in the program with him and you.”²

Now, on with the biography.

Odin W. Anderson
Madison, Wisconsin
April 16, 1992

¹ Both letters in the State Historical Society of Wisconsin, 1956-61A
Cohen Box A-G.² The State Historical Society of Wisconsin.
Cohen Box Q-Z 1956-61 Folder S, 1960.

Chapter 1: Early Environment 1913-1934

Some time ago I was taken by a line from an unknown poet that read “I am a part of all that I have met.” In 1984, at the age of 71, Wilbur J. Cohen reminisced about his childhood and life and, in essence, said the same of himself in his article “Growing Up In Milwaukee,” He was extremely sensitive to his social and political environment from the start. He was part of all he had met. He wrote “First, let me say about myself, I am one of those who believe that ancestry, early environment, family and teachers play an extremely important role in personality, development and attitudes of an individual.”¹

Cohen became conscious of his ancestry and researched his ancestral roots. In 1984 he wrote that his paternal grandparents and his father immigrated to Milwaukee over 90 years before. The paternal grandparents came from a town close to Posen (Poznan) Poland that was part of Germany in 1970. They were married there and left for England because of militarism, anti-Semitism, and economic difficulties. They were around twenty years old. They lived and worked in Glasgow, London, Edinburgh, and Dublin and other cities in the United Kingdom for twenty-two years. Cohen was not sure what brought them to Milwaukee in 1892. He speculated that they were probably advised by his grandmother’s brother living in Ludington, Michigan, who told them about Milwaukee as a promising place to settle. Cohen’s father was born in Edinburgh, Scotland and was five years old when his parents moved to Milwaukee. His mother was born in New York City and came with her parents to Milwaukee at the age of one. Both Cohen’s parents and maternal grandparents lived in Milwaukee the rest of their lives, and were small retail grocers. The grandmother and mother worked with their husbands in their business. They lived in a multiethnic neighborhood, including Jews, near downtown Milwaukee. Cohen

suggests Milwaukee was free of ethnic prejudices based on his experiences in an ethnically mixed high school in the area.

His maternal grandparents came from a small town in Russia called Kapulia. Most of their relatives and friends settled in Minneapolis, Minnesota. His maternal grandfather was a teacher of Hebrew who respected learning.

Much later, in a taped interview with David G. McComb in Cohen's home in Silver Spring, Maryland, on December 8, 1968 he reflected on the origin of his political values while growing up in Milwaukee:

I was born and raised in Milwaukee, which had a socialist mayor (Hoan) for many years and also a socialist Congressman, Victor L. Berger. The combination of this sort of American socialist movement, which was not Marxian and was not revolutionary, but was really a kind of local good government, plus its close identification with the labor movement in Milwaukee and social legislation in general, was an important factor when combined with the fact that most of my professors at the University of Wisconsin (Madison) had been participants in the LaFollette progressive movement going back to 1910 to 1920. Therefore, the impact of these two forces, the municipal socialist movement in Milwaukee and the LaFollette progressive movement with its strong populist overtones, was quite important. Later this same populist streak was to be found in my affiliation with Lyndon Johnson, (as Undersecretary and Secretary of Health education and Welfare during Johnson's presidency) who was influenced by some of the same factors a thousand miles away (in Texas) ²

According to Cohen's son Bruce, his father was a cultural Jew, not a religious Jew. He attended the Unitarian Church and the Ethical Society because social and political issues were discussed there. ³

The foregoing is the bare-bones of Cohen's family background as reported by himself. It is likely there is nothing more recorded, but is probably sufficient for the purpose of his biography which is to show the man and his relationship to his times as a professional social reformer. For this objective the sources I used are copious. Cohen deposited letters and memos in the State of Wisconsin Historical Society archives about his activities literally month-by-month

from 1934 to 1979. He even deposited his hotel reservations. References to his family were sparse, but the material on his professional and public life is detailed and sometimes quite personal.

He clearly assimilated the characteristics he attributed to his immigrant grandparents and parents and other immigrants he knew: "I believe that these immigrants who came to Milwaukee exhibited a determination, a self-confidence, a vitality, and an optimism which is now not only incorporated in Milwaukee, but in the American way of life."⁴

This optimism was expressed in his view of the American political process, which he believed in from his youth and remained a consistent value all his life. In Cohen's own words:

While I have never run for political office and have never had any desire to do so, I would have great uncertainty about my emotional capacity to sustain the slings and arrows of a political campaign. But, nevertheless, during my professional lifetime I have had a lot to do with politicians, and I have come to admire them and the press, which is somewhat contradictory to the prevailing opinion. Politicians, particularly, perform an essential role, in my opinion, for the maintenance of a democratic, evolving, complex social and economic structure. It is very easy to find things wrong with politics, politicians, and the press. But my lifetime experience is that it is equally easy to discover limitations in the institutions of marriage, love, children, family, and money. All are essential to our society despite the difficulties they generate.

In this essay he expresses the core of his life view and his personality in coping with life. He was patient with the relative slowness of social change. In 1984 he wrote:

I have never been involved in an important and complex social policy change which has been perfect or 100 percent successful. Tolerance of inadequacies in institutions, policies, and personalities is not inconsistent with the objectives of excellence. Every problem cries out for a solution and every solution creates more problems. In social policy one must accept the fact that not every proposal or solution is black or white. There are innumerable shades of gray, and it is necessary to have to live with ambiguities and unresolved questions⁶

He learned from experience:

First, I learned to respect the ability and creativity of the human being. I believe it is remarkable what men and women can do if they are given responsibility, incentives and scope. Consequently, I am optimistic about the future of the United States (1984)

because we value the individual. We accept change, sometimes slowly, sometimes reluctantly, but we do. We also value creativity. Second, I learned that human beings are fallible. I don't have any concrete evidence of original sin, but I have seen concrete manifestations of misjudgment, error, self-righteousness even among my own heroes. I enjoyed my work with Presidents Roosevelt, Truman, Kennedy and Johnson, but because they were human they made mistakes.

Cohen was always the optimist with only an occasional tinge of the sense of the tragic. He was a pure child of the Enlightenment of the 18th Century and believed in human progress. When he died he was in South Korea in 1987 at an international conference on social insurance.

Cohen had a liberal arts education at the University of Wisconsin-Madison. He was ready for college in 1930 at the age of 17 and was considering the University of Chicago or Harvard. He visited Madison and learned about the fledgling unit at the University called the Experimental College founded by Alexander Meiklejohn, former President of Amherst and an experimenter in higher liberal education. The college was in operation from 1927 to 1932.⁷ Cohen attended Experimental College from 1930-32, in the last two years of its existence.

Male students lived in two dormitories with their tutors for two years. Thereafter they could enroll as Juniors in the University proper and study for a bachelor's degree. The first year the students studied Greek civilization and in the second year American civilization. It is clear that Cohen gloried in this free-wheeling kind of liberal education according to his frequent favorable references to his experience. This type of exposure certainly contributed to his broad approach to society and its problems.

The quotes above are drawn from his perceptions of life and politics when Cohen was a full adult. It will be of interest at this point to backtrack to his essays in the Experimental College, 1930-1932 and perceptions of him by two of his tutors.

On December 1, 1930, at the age of seventeen, he submitted an essay entitled *Democracy* which bears quoting in length:

Government is the science of harmony. To promote the welfare of the individual we must promote the welfare of the mass. The work of the government is mainly protection, regulation, and constructive advances toward building of a happy, industrious group of citizens.

When we speak of life we speak of the economic, social and political sides of our existence. To talk about a form of government is to speak about the political side of life, but the entire three are so interwoven that we cannot separate all or one of them. Democracy thereby does not limit itself to government; it takes in economic as well as social and political theory. Whether we mean equality of income or equality of anything else has an important bearing on our final outline of democracy.

I believe that the equality of opportunity is out of the question to my belief. We shall always have classes, and distinctions, and the privileges to my way of thinking. Give every newly born citizen an equal chance, an equal education, and then let each person go out to seek his or her (*note the gender consciousness before its time*) fortune. Some will become rich, others will become poor, some will be leaders, others will be followers. We cannot put everyone on an equal basis, with equality of income, equality of rights, and equality of duties. If you did that you would destroy the main principle that make people work, and permit them to become happy. It is the desire to work as hard as they want to work and as hard as they want to, with the result of increasing their conditions in proportion to their labor⁸

This essay shows that by the age of seventeen Cohen had already formulated the social philosophy which was the framework for his strategy for old-age pensions and medical care for the elderly and also for universal health insurance. The last had not been enacted at the time of his death.

Cohen's personality in 1931 was described by a tutor in the Experimental College: "He is very active and energetic with a very strong interest in his own destiny.

He doesn't know whether he shall enter law or politics. He has real ability, writes well, and always gives an impression of vitality and interest."⁹

Another essay by Cohen entitled Conflicts about Wealth (Nov. 1930) reveals ambiguity:

I am not in favor of concentrating the wealth of the nation in the hands of a few individuals, yet I believe that I have a certain human impulse that urges me to become a millionaire. I say that I would have a magnificent library, and aid the poor and needy, and take care of the old and feeble. I am against the accumulation of wealth and yet I am for it. It is a strange paradox that I cannot explain satisfactorily to myself. It is a human characteristic to want to accumulate wealth, and yet when I think how the rich wonder how they are going to spend the next \$100,000 they get as interest on their bonds, and

how the poor wonder where the next dollar is coming from to pay for their food, I tremble at the fiendish desire I have to get wealth. Yet, the moment after I am thinking about plans to get rich quick.¹¹

Finally, an anonymous tutor in the Experimental College made the following very personal, poetic evaluation dated Feb. 8, 1932 during the last semester of the existence of the College:

He lived like a sunflower; dependent for existence on external forces – food came regularly and he grew, a ray of sunlight focused upon him occasionally and he sprouted in mind and matter As a sunflower, Wilbur lived as he found ‘himself’ and in squalid rat-infested surroundings.” The tutor goes on to say that Cohen tried to hide his origin, but that was difficult. He had great ideas about himself. He was intelligent:…society prescribed his route and so Wilbur went.¹⁰

Cohen graduated with a Ph.B. in economics and history in 1934. He studied with the institutional economists John R. Commons, Edwin E. Witte, and Selig Perlman, a labor historian. They were specialists in labor economics. Cohen was a reporter for the student newspaper the *Daily Cardinal*, where he got a good deal of writing experience under pressure. According to Berkowitz¹¹, at first Cohen felt a little insecure about his choice (of the Experimental College). It attracted students from the East and as Cohen put it: “I felt so uneducated. These boys from New York knew so much more than I did. They were more sophisticated.”¹¹

Professor Witte took a liking to Cohen and offered him a job as his research assistant when Witte was called by President Roosevelt in 1934 to formulate an economic security program with an emphasis on economic problems. At the young age of 21 Cohen moved with Witte into the vortex of the furious activities of the New Deal designed by Roosevelt and the Democratic Congress to combat the Great Depression which had hit bottom in 1933. Cohen took a chance with this exciting opportunity, fully intending to return to the University of Wisconsin after a stint of a couple of years with the Committee on Economic Security. He was headed for an academic career.

Cohen became so involved with both the formulation and the implementation of the Social Security Act that he stayed on. Sensitive and aware, he must have been enthralled with all the activity around the New Deal and the development of social security.

Before he arrived in Washington with Witte, in the first hundred days after Roosevelt's inauguration on March 4, 1933, the new administration had passed legislation from March 9 to June 16 with the descriptive titles: Emergency Banking Act, Economy Act, Civilian Conservation Corps, Federal Emergency Relief Act, Agricultural Adjustment Act, Emergency Farm Mortgage Act, Tennessee Valley Authority, Home Owners Loan Act, National Industrial Recovery Act, Glass-Steagall Banking Act, and Farm Credit Act.¹²

The President's wife, Eleanor, witnessing the inauguration was quoted by Schlesinger as calling the inauguration "very, very solemn and a little terrifying, and when Franklin got to the part of his speech when he said it might become necessary for him to assume powers ordinarily granted to a President in war time, he received his biggest demonstration. What could this mean for the baffled and despairing nation? One has a feeling of going it blindly, because we are in a tremendous stream, and one of us knows where we're going to land."¹³ Thirteen million Americans were unemployed, one fourth of the labor force. It should be noted that the labor force was largely in production not service. Machinery for sheltering and feeding the unemployed was breaking down everywhere. Immediately before the inauguration every bank in America had locked its doors. The middle class usually regarded as the "vital center" of a representative democracy was threatened. In 1932 over 250,000 families lost their homes. Schlesinger observes that "It was now just a matter of whether representative democracy could conquer economic collapse. It was a matter of staving off violence, even (at least some so thought) revolution."¹⁴

It was a heady atmosphere in Washington that a young man like Cohen experienced. Who were the New Dealers? According to Schlesinger "...they altered the whole tempo and tone of Washington as a community, a stodgy city. They represented all classes – from the wellborn like Franklin Roosevelt, Averell Harriman, Francis Biddle to sons of poverty like Harry Hopkins (or Wilbur J. Cohen). They were, however, predominantly middle class, mostly lawyers, college service professors, economists or social workers. They were all ages, though most of them were born between 1895 and 1905 (Cohen 1913). "They were all at home in the world of ideas." ¹⁵

The civil service expanded enormously. Three out of five government employees belonged to the emergency agencies. The proportion outside of the merit system was allowed to double in the four years since June, 1932 rising from 20 percent to 40 percent of the whole service.¹⁶ Obviously, young Cohen must have felt in his element.

The momentum of change continued. After establishing the emergency programs to shore up the economy, President Roosevelt appointed Frances Perkins, a social worker known to Roosevelt during his governorship in New York, to chair the Committee on Economic Security. This Committee was to grapple with the long view of eliminating the risks of unemployment and retirement without a pension and health insurance, but the immediate focus was to "capitalism a human face" by providing income security.

References

1. Wilbur J. Cohen, "Growing Up in Milwaukee." *Milwaukee History: the Magazine of the Milwaukee Historical Society*, 7 (3) 82, Autumn 1984.
2. David G. McComb taped and transcribed interview with Cohen at his home in Silver Spring, Maryland in December 8, 1968. WJC Papers in The State of Wisconsin Historical Library, Madison, Wi. And the Lyndon Baines Johnson Library, University of Texas, Austin, Texas.
3. Interview with Bruce Cohen, September 17, 1991, at the home of his brother Christopher, Glencoe, IL.
4. McComb Op. cit., p.83.
5. Ibid. p. 84-85.
6. Ibid. p. 91.
7. George C. Sellery. *Some Ferments at Wisconsin*. 1901-1947. Madison, WI, University of Wisconsin Press, 1960. Chapter 2, The Experimental College, 1927-1932.
8. Wilbur J. Cohen file, Memorial Library, UW-Madison, 7/37/3-5, #83
9. Wilbur J. Cohen File. Memorial Library, University of Wisconsin-Madison 7/37/3-3 #8.
10. Wilbur Cohen File, Memorial Library, University of Wisconsin-Madison 7/37/3-5 #83.
11. Edward Berkowitz, draft of a talk given at the Worcester Conference, 1991, p.9., footnote no. 12. (Autobiographic Fragment, privately held).
12. Arthur M. Schlesinger Jr. *The Age of Roosevelt: The Coming of the New Deal*. Boston, Houghton Mifflin, 1958.
13. Cited by Schlesinger from several sources, Ibid, p. 1-2.
14. Schlesinger, Ibid, p. 3.
15. Ibid. p. 17.
16. Arthur M. Schlesinger, Jr. *The New Deal in Action, 1933-1939*. New York, Macmillan, 1940. p. 3.

Chapter 2: The Social Welfare Structure and Its Heritage in the Early Thirties in the United States

President Franklin D. Roosevelt called Professor of Economics Edwin E. Witte to Washington in July 1934 to become Executive Director of the Committee on Economic Security. Wilbur J. Cohen, 21 years old with a Ph.B. in economics and history, went with Witte as his research assistant. Madame Francis Perkins, Roosevelt's Secretary of Labor, chaired the Committee. An advisory council on Economic Security headed by Frank Graham of The University of North Carolina was set up along with a Technical Board of Economic Security headed by Arthur Altmeyer from Wisconsin.

What sort of a social welfare heritage did Witte and Cohen face? What sort of response would Witte and the Committee make to this heritage and the Depression? What were regarded as the fundamental defects, which the Committee would address? Witte emphasized unemployment compensation and old age pension insurance, with some attention to the public assistance programs for widows with children and old age assistance. These means-tested programs were financed by general tax revenue in the states with services provided through state departments of public health.

I will try to describe the general characteristics of the social welfare structure in 1934 as it had evolved at the turn of the century to the Nineteen Thirties. The massive shift of the population from a farm economy to an industrial wage earner's economy resulted in the major proportion of households becoming dependent on wage cash income. No jobs meant no income. Five basic risks which threatened family financial solvency were: 1) loss of income due to age and inability to work; 2) loss of income due to unemployment; 3) loss of income due to disability at any age during working life; 4) death of a family breadwinner during working age leaving

dependents destitute and 5) threat to family financial solvency because of episodes of high expenditures for medical care.

What programs private or public evolved from the latter part of the nineteenth century to the Thirties to protect families from these five threats to family financial solvency? Here I draw on extensive secondary literature describing and analyzing the evolution of these programs as industrialization of the economy spread. And, at the end of Cohen's life in the Eighties what did the social welfare structure look like? To what extent had Cohen's objectives and mission as he started to conceive them in the Thirties been achieved? I will deal with that in a final chapter.

Witte and his young assistant grew up in the heady liberal atmosphere of the Progressives in Wisconsin conceived by Robert L. LaFollette Sr. as Governor and later as Senator in the U.S. Congress from roughly 1900 to 1925, the year Senator LaFollette died. Cohen, of course, was of the second generation in this political atmosphere and Witte of the first. John R. Commons, the famous labor economist who was a professor of economics at the University of Wisconsin-Madison taught both Witte and Cohen as did Selig Perlman, a labor historian. Commons and later Witte established influential connections with the state government of Wisconsin during the Senior LaFollette days which carried over into the Thirties. Robert M. LaFollette Jr. was then a Senator in the U.S. Congress, and Philip LaFollette, the younger of the two sons, was Governor of the State of Wisconsin during the Thirties.

Under the elder LaFollette, as reported by Donald Young in his preface to Philip LaFollette's memoirs which Young edited: "The Progressive Movement in the State of Wisconsin" was characterized by a commitment to bring equity and dignity to all people and *by a resolve to achieve its objectives within the existing social and political framework rather than through social upheaval and revolution* (Emphasis mine). Progressives were willing to study the

issues carefully to find solutions that would serve the greatest public good rather than the particular advantage of any person or group. And they expected a ground swell at the political grass roots that extended in due course to the state capitols and finally to the seat of the federal government.”¹

Paraphrasing Young, under the elder LaFollette and other Progressive governors of his generation, Wisconsin inaugurated the direct primary to by-pass the smoke-filled rooms of organized party politics; the taxation of railroads according to the value of their property; a railroad commission to regulate the rates; a worker compensation law to protect workers from the loss of wages and costs of medical care for industrial accidents and diseases related to their occupation; an industrial commission to regulate working condition in industries; the progressive income tax to distribute the tax burden more equitable; and a civil service law. It can be seen that a political and social policy style pervaded these times. Witte and Cohen, products of the values in which they grew up brought these values to the Washington and the national scene.

The foregoing was embedded in a much larger national context of developments in private and public social welfare from the latter part of the Nineteenth Century to the early Thirties. The economic developments created a labor force, the great majority of which were wage earners, and thus being constantly threatened by loss of income with job loss. Private welfare ranged from charity on a means test to gradually increasing large industry-based programs for short-term unemployment, occupational accidents and disease, and old age pensions. Public welfare programs evolved gradually from individual case charity to public assistance for widows with children, to old age assistance screened by a means test to social insurance in the form of worker compensation for occupational accidents and diseases. Public

assistance was financed from general revenue; Taxes and worker compensation was financed by compulsory taxes on employers as a cost of doing business.

Bornet² observes that the usual pattern of assistance over time was what he called “Charitable work” up to the turn of the century, and volunteer agencies at the turn of the century. Thereafter came many categories and programs under government auspices, state and local from the second decade of the twentieth century on. Before the Thirties the Federal Government was not engaged in what can be classified as welfare at all, except for veterans and the merchant seamen. The states had that responsibility since the founding of this country.

According to Bornet there was also a shift in terminology from “settlement worker”; “orphan asylum”; “poor farm”; “benevolence”; and “doing good”; to “health and welfare”; “recreation”; “character building”; “psychiatric social worker”; “homemaker service”; “senior centers,” and “rehabilitation”; culminating in “community united funds” and “social insurance” in the Thirties. This emerging terminology and concepts of welfare symbolized the systematization of specific programs, increased the number of professionals in social work, pensions, and public assistance.

Leiby⁴ showed that pensions for widows with children were legislated in Illinois as early as 1911. There were 16 more states by 1913, and most states by 1930. The assistance to widows with children was based on the concept that these mothers should be paid to stay at home to take care of their children until they were 18 years of age or so and not to be forced into the labor market. This concept assumed that the family should have enough for a presumable adequate (although a low) basic standard of living.³ The pensions were low even by the standards of the time. The range monthly was from \$8.81 in Louisiana, \$51.38 in Massachusetts, and \$60.14 in the District of Columbia in 1934.⁴

The staff of the Committee on Economic Security, Cohen among them, collected data and information on the evolution of private and public programs to help protect certain categories of the population from loss of income up to the Thirties. These data provided an historical background and contemporary profile of the status of private and public welfare in the United States. The Social Security Act was formulated with direct reference to this structure.

Financial relief for the unemployed was distributed as a form of charity. The percent of the labor force unemployed for selected years was as follows.⁵

Years	Percent
1918	5.5
1919	6.9
1920	7.2
1921	23.1
1926	7.5

Other data on unemployment as the country was entering The Great Depression were:⁶

Years	Number Unemployed (Millions)
1929	1,813
1930	4,921
1931	8,634
1932	12,813
1933	13,176

Variations in percent unemployed by selected industries in July, 1934 were:⁷

Industry	Percent Unemployed
Construction	64.9
Service	38.1
Mining	37.4
Railroads	36.2
Manufacturing	27.4
Trade	19.5
Public Service	5.0
Agriculture	1.1

There was interest in unemployment compensation beginning in the decade of the “Teens,” but no state passed an unemployment compensation act until Wisconsin in 1932.

A series of legislative measures variously described as “old-age pensions”, “old-age assistance”, “old age relief” and “old-age security” were passed by State after State according to the Report. Montana started in 1923, by the middle of 1931 there were 18 States, and by January 1935 a total of 28 States had passed such legislation. Old-age assistance was offered to citizens of long residence, who had small assets, and no financially competent immediate relatives. The amount of monthly grants of money were assumed to enable the elderly to maintain themselves outside of institutions, i.e., county poor houses. The range of financial assistance per month was 69 cents in North Dakota to \$26.60 in Massachusetts. Actually, of 28 states two paid nothing at all, shifting the burden to the counties. In 1930 5.4 percent of the people 65 years of age and over received old age assistance.⁸

Another category for public assistance in addition to the aged and widows with children, according to the Committee Report, was the blind. This category was regarded along with the

two other categories as people who were victims of circumstance out of their control. By 1935, 27 states had laws providing cash payment for the blind.

A program emanating from Congress and The Federal Government, and funded from general revenue after the Civil War up to the 1890's, is the sporadic pensions for Civil War veterans of the Union Army, The Grand Army of the Republic. These pensions were highly politicized as a Congressional boondoggle for a special group including their dependent survivors.⁹

Berkowitz and McQuaid reviewed the early twentieth century private and public status of the emerging welfare state. These authors wanted to put this emergence into a perspective not usually done. They were critical of the prevailing format of historians writing on the development of welfare in the United States who present the process as one in which "The public sector assumes responsibilities, and the private sector often quite reluctantly yields them. If business men appeared at all they became clichés: Babbits mouthing Gilded Age slogans. Social Darwinians denying bread to the hungry, gray eminences conspiring to thwart the will of the people. When business men receive a more three-dimensional portrayal, they are often penned within the Progressive Era of the 1920's and are left to die with the New Deal."¹⁰

Berkowitz and McQuaid conclude, quite correctly, that despite the fragmenting nature of the efforts to cushion the misfortunes of loss of income in the 20 years between 1910 and 1930, welfare capitalism became a part of the American social and political scene interrelating the private and public welfare provisions. So there were private "models" already. I might observe, however, that the benefit funds were not portable from job to job in different firms. The company union concept which many firms had created was questioned by pro-labor critics as inhibiting

freedom to negotiate and strike. The welfare capitalism was essentially paternalistic, of a noblesse oblige nature.

If the prosperity of the Twenties had not been followed by the crash of the Great Depression in the Thirties, perhaps the social welfare structure in 1987 (the year Cohen died) would have been quite different, such as a means tested pension program, emphasis on private pension programs, and means tested health insurance for the elderly rather than Medicare as an expansion of the social security pensions.

The “welfare state capitalism” before the 1930’s was clearly found unequal to the catastrophic loss of income for 25 percent of the labor force in this country who were unemployed. A calculation by Patterson of the expenditures for welfare from private and public services from 1913 to 1929 gives some idea of the limited nature of welfare capitalism. (Excluded are health and education). Personal health services at that time were still not considered a social problem politically. The estimates below are: ¹¹

Welfare Data	1913	1929
Spending, private and public (in millions of constant dollars)	180	750
Total population in millions	97	122
Spending per capita in dollars	1.85	6.25
Total recipients in millions	9.7	12.1
Spending per recipient in dollars, annual	18.50	62.50
Percent of GNP (contemporary)	.45%	.73%

It is apparent that the percent of recipients in the population remained quite constant, but the real increase in spending per recipient was over three fold.

These data by themselves do not reveal the prevailing public attitudes toward welfare in general. The early settlers in New England brought with them the old concept of the English Poor Laws of 1601 during Queen Elizabeth I. Assistance of any kind was determined by local governmental units. Those requesting assistance would undergo a severe test of their means, set at low subsistence levels of human need before being placed on the public treasury. Except possibly for children or the very old, anyone requesting assistance was regarded with suspicion as to character and motivation to be self-supporting. There was a rough classification of worthy and unworthy poor particularly for apparently able-bodied adult males and females. Assistance was a privilege not a right. Further, recipients had to have been residents of the locality for a specified period of time. Vagrants were driven out of the locality.

Both private and public assistance as described up to the Thirties were pervaded by the philosophy of the Poor Law.¹² It was particularly strong in the United States, the land of economic opportunity, and the open frontier. Exceptions were in time made for widows with children, orphans, the disable, old and the blind. These were victims of conditions out of their control. Other applicants were regarded as lacking in ambition and self-help. *They* were at fault, not the system. In this country observers noted that even for the worthy poor the allowances were grudging and low, e.g., \$6.00 a month for old age assistance.

Witte and Cohen and the staff of the Committee on Economic Security in 1934 faced a conceptual problem: what is a privilege and what is a right to public assistance? What is a legitimate claim of an individual on the collective? What is the obligation of the collective to the individual? How does the Committee deal with the pervasiveness of the negative attitudes to those who have no income?

Witte and his advisors drew on the philosophy and experience of the Progressive Movement. Wisconsin conceived of social insurance--unemployment compensation and retirement pensions--as the dominant method of assuring continuance of income which could reduce reliance on public assistance. This was no-fault concept, one difficult for Americans to understand and accept. Whose fault is it -- is it the individual's or the system's? -- a question that continues to bother social welfare policy makers. Witte, Cohen, and advisors strove to define destitution essentially as the fault of the system rather than the individual. The struggle to achieve this concept as basic public policy is the driving force in Cohen's life as a professional reformer from 1934 to 1987. He became in essence the lone survivor, the bridge between the Social Security Act of 1935 and the Medicare Act of 1965. He remained a gadfly and spokesman for continuing expansion of the Social Security Act even after he left government in 1969.

So much for the social and political environment in which Cohen started his career, his launching pad; I now turn to his career and the social and political environment in which he conceived his mission and the political strategy and style he formulated to implement it from 1934 to 1979.

References

1. Donald Young, ed. *Adventure in Politics: The Memoirs of Philip LaFollette*. New York, Holt, Rinehart, and Winston, 1970, p. ix.
2. Vaughn D. Bornet, *Welfare in America*. Norman, Okla., University of Oklahoma Press, 1960, p. 3.
3. James Leiby, *A History of Social Welfare and Social Work in the United States*. New York, Columbia University Press, 1978, pp. 205, 210.
4. *Social Security in America; The Factual Background of the Social Security Act as Summarized from Staff Reports to the Committee on Economic Security*. (Published for the Committee on Economic Security by the Social Security Board, Washington, DC) Washington, Government Printing Office, 1937, pp. 246.
5. Ibid. p. 56.
6. Ibid.
7. Ibid, p. 57.
8. Ibid, p. 139.
9. James Leiby, *A History of Social Welfare and Social Work in the United States*. New York, Columbia University Press, 1978, p. 210.
10. Edward Berkowitz and Kim McQuaid, *Creating the Welfare State; The Political Economy of the Twentieth Century Reform*. 2d. ed. – Revised and Expanded. New York, Praeger, 1988. p. 1.
11. James T. Patterson, *America's Struggle Against Poverty, 1900-1980*. Cambridge, MA., Harvard University Press, 1981, p. 28.
12. In addition to Bornet, Lubove, Leiby and Patterson, op. cit. see also John E. Tropman, *American Values and Social Welfare: Cultural Contractions in the Welfare State*. Englewood Cliffs, N.J., Prentice Hall, 1989.

Chapter 3: Cohen Goes to Washington 1934-1936

The Formulation and Implementation of the Social Security Act 1934-1937

Cohen arrived in Washington in July 1934 and hit the ground running. Cohen had not decided whether to look for a job (not easily found in 1934) or stay on at Wisconsin and go to graduate school for a Ph.D. in economics and history. Witte's offer to be his research assistant was quickly accepted. He decided to take the leap to Washington, which was seething with President Roosevelt and the New Deal.

The bank moratorium, relief programs, and job programs were temporary stop gaps until the economy got going again. Long-term social security programs, particularly unemployment insurance and old age pensions, were high on Roosevelt's agenda. Both needed politically and technically skillful formulation. Witte was well-schooled regarding these programs but in all likelihood he did not have a clear idea of how to proceed. Still he plunged ahead with Cohen and others as fact gatherers to define and quantify the problems.

Much later in 1956 when Cohen resigned from the Social Security Board after the election of a Republican president, Dwight D. Eisenhower, in 1953, Witte wrote a farewell letter revealing how he had used Cohen's technical and talents in those early days. Witte said:

Of everything that I have tried to do for the advancement of social security in the United States, the one which has turned out best was to bring Wilbur Cohen into this work. Wilbur was the first employee of the Committee on Economic Security. Throughout the formulation of the Social Security Act by that Committee he was my research assistant and right-hand man. He sat with me in all executive sessions of the Congressional Committees concerned with this measure. He supplied the members of Congress with most of the information they used in the debates on the Social Security Act.¹

Cohen was also one of the first employees of the Social Security Board when it became law in August 1935.

Concurrent with the foregoing duties, probably Cohen's first report to the Committee on Economic Security was on the Townsend Plan. Witte and the Committee regarded this plan as “pie in the sky” that would jeopardize, in their minds, the more realistic and rational contributory pension scheme under consideration. Dr. Townsend from California was heavily publicizing the idea of a pension of \$200 a month for all people 60 years of age and over to be paid from public revenue. This pension had to be spent immediately in order to stimulate the economy. Cohen wrote a lucid critique supported by demographic and financial statistics pointing out the limitations of the plan.²

A major memorandum Cohen wrote for the Committee on Economic Security in September 1934 only three months after his arrival in Washington, was entitled “Kinds of Social Insurance Legislation in Various Countries.” Witte and the Committee wanted some insight into welfare state developments in the industrialized countries which had established programs for unemployment insurance and old age pensions. How were they financed and how generous were their benefits? Other staff members who became well known during the New Deal days were Edgar L. Sydenstricker and Isadore S. Falk, who wrote “Public Provisions Against the Economic Risks Arising Out of Ill Health.” Health insurance was very low on the agenda in the eyes of both Roosevelt and Witte, not to be ignored altogether either, but as a development for the future after the income transfer programs had stabilized.³

As if Cohen's official duties with the Committee on Economic Security were not enough, as a citizen he was also a member of the Executive and Research Committee of the Washington Central Labor Union and Lodge No. 139, American Federation of Government Employees. He appeared twice before congressional committees on the union's behalf: one time regarding the housing conditions in Washington and another time on the extension of Civil Service status to

the Federal Emergency Relief Administration (FERA) Employees. The FERA was actually a temporary agency for direct financial relief for the unemployed, but how temporary was probably the question.

As for the housing problem in the District, there had been a large influx of government employees, as a result of the New Deal. Cohen had personal experience; he had found a room not far from his office and though the rent in the District was high. Cohen testified before the Subcommittee on Fiscal Affairs, Committee on the District of Columbia. Cohen, as was his usual style, had made an elaborate statistical survey of the area which he submitted to the Subcommittee.⁴

On the extension of Civil Service status to F.E.R.A. employees Cohen testified before the Committee on the Civil Service, H.R. in April 1932 on bill H.R. 3980. Cohen modestly admitted: "I have not been in the Government for very long. I have been here only 10 months myself, so whatever I may say may be subject to limitation." But then he added: "I came here with some experience in the study of labor problems in general." Representative Herron Pearson of Tennessee in closing complimented Cohen: "I want to say to you, Mr. Cohen, that I think you have made a valuable contribution to the merits of the bill."⁵

The Social Security Act which set up the Social Security Board to administer the Act was passed in August 1935. Witte went back to his professorial post at the University of Wisconsin in Madison. Cohen was then hired by Arthur J. Altmeyer, who became the commissioner of the Social Security Board. John C. Winant was chairman of the Board. Cohen's title still indicated that he was to continue his fact and data-gathering role – as Technical Advisor to Altmeyer, a role he continued until Altmeyer retired and left in April 1953 when the Eisenhower administration took over.

When Cohen became Technical Advisor he was 22 years old. Under Altmeyer he continued data gathering as the Social Security Act settled in. Also he increasingly influenced policy through his position with Altmeyer and his expanding and deepening contacts with members of Congress, relevant personnel of the Washington bureaucracy and a wide range of important contacts outside of government in labor, business, social work, and public health professionals. Cohen's archives are replete with evidence of his zeal in establishing an enormous formal and informal network. He played his network like a pipe organ, pushing keys and stops marked with the whole range of players. *(Many in Cohen's network to whom he sent letters and memoranda were known to me personally. Many others were known to me by name. I followed social security and health insurance developments avidly as my own career in health services research developed. My archival research was like looking over Cohen's shoulder.)*

Two major examples of Cohen's many activities and duties under Altmeyer included the following: on September 3, 1936, Cohen was asked to prepare a letter to Mary W. Dawson, Vice-President of the Democratic Campaign Committee who requested information on Social Security that could be used to counter the attacks of people who say that the Social Security Act is "socialized medicine," because the Act is financing State and Federal Government maternal and child health and crippled children's programs. The counter-attack was that these programs had nothing to do with "socialized medicine" but were traditional public health programs.⁶

A second example was the assignment of Cohen to give a lecture on September 19, 1936 before personnel who would soon be administering The Social Security Act. The lecture was given in the Department of Commerce building on a Saturday. Cohen quipped in his opening: "I am a firm believer in the five-day, forty-hour week, so I don't know why you should be here on

Saturday, and if I talk too long, I hope you will stop me.” (Cohen never applied this work schedule to himself).

Cohen proceeded to give a history of the formulation of the Social Security Act, some description of the provisions of the Act, and its administrative implications. Cohen said:

...when you get into your administrative positions, I think it is very worthwhile to have a realization that there are differences between groups of individuals and people, first on whether we ought to have social security legislation, and second, if we are going to have it, how should we achieve it. (The Act was already passed, but was not yet implemented) Some of the differences are real and some unreal. For myself I feel disappointed that there is no general agreement on fundamentalistics (*sic*) of social security as I should like to see them. I don't want to appear dogmatic and say that I have a certain point of view which I think is right, but the wide cleavage between individuals in the field is somewhat disappointing and I think it will be a major problem in the next five or six years to you people.

In order to understand, of course, what we are dealing with today I think most of you realize what we have today is the result of discussions and historical background that preceded this legislation in our American history. No one can understand the Act unless he has a full historical feeling for the problem of States' rights or unless he has knowledge of the social security legislation which preceded this Act which came entirely on a State basis⁷

Cohen then went on to explain the Federal-State relationships and other related matters.

Years later, after Altmeyer had retired to Madison in 1953 he wrote a letter in April 20, 1957 in response to Cohen's speech at Witte's retirement party in April 1957 in which Cohen threw bouquets to both Witte and Altmeyer, who attended and who threw bouquets in return to Cohen: “Our strategy was jointly developed and you above all deserve most of the credit for whatever success was achieved. When I think of the countless hours and days of exposition, persuasion, and placating of vanities and prejudices that you put in I despair of conveying to anyone who was not involved a picture of what the administrative-legislative process actually is in practice.”⁸

A month before, Altmeyer expressed this public admiration he wrote the following jocularbut serious complement in a letter to Cohen (then in Ann Arbor) and to Altmeyer in

Madison. Altmeyer, apparently despairing of what might happen to Social Security under Eisenhower as President, wrote: “What is needed is a Cohen turning out new formulae every hour on the hour and selling it to the boys saving everybody’s face and pocketbook.”⁹ (During the time Cohen and Altmeyer were *working* together they very likely did not write memoranda of this kind to each other. The same would be true for communications between Cohen and Witte.)

In a funeral essay for Altmeyer on October 30, 1972 Cohen returned the compliment. Cohen wrote of Altmeyer: “He had the unusual ability of being an innovative formulator of social policy and a competent administrator as well. He could discuss basic concepts of the right to (public) assistance and services with social workers, and its constitutional implications with lawyers, and also could discuss the intricacies of insurance with the actuaries. To him public office was a public trust.”¹⁰

Both Witte and Altmeyer were Cohen’s technical and political strategy mentors. It is of interest to note that after Witte left Washington to resume his academic duties he felt out of touch with daily developments in the implementation of The Social Security Act although Witte was teaching courses in Social Security. Witte wrote Cohen occasionally asking if he would kindly supply him with current data which were not available in Madison so that he could keep up with operations. Cohen for several years continued his previous research assistant role with Witte. The correspondence reflected a continuing student-research assistant role with Witte addressing Cohen as “Dear Wilbur” and Cohen addressing Witte as “Dear Professor Witte” with frequent expressions of gratitude for how much Cohen was indebted to him.

The Mounting of the Social Security Act

The Social Security Act became law in August 1935 but given its massive mandate to register employers and their employees for old-age pensions and unemployment compensation --

a tremendous logistical problem had to be carried out in a short time. The lead time for this vast undertaking was getting shorter and shorter because the Roosevelt administration was pondering the political implications of carrying out the registration before the 1936 election in early November or after the election. There was not only the timing of the legislative process but also the information aimed at the employers and covered workers, the future beneficiaries of unemployment compensation and old-age pensions. Although The Social Security Act had been passed by comfortable margins in both houses, there was considerable opposition to both unemployment compensation, paid by employers, and old-age pensions, paid by payroll deductions by employees with an equal contribution by employers. As observed by Schlesinger, "the carryover of the concept of American self-reliance to this day by business people and conservatives was pervasive even after the Social Security Act was passed. There was fear that with unemployment insurance no one would work, with old age insurance no one would save and "the result would be moral decay, financial bankruptcy and the collapse of the republic."

Nevertheless, now the Social Security Act was the law of the land and would be obeyed but, from the employers' view, the massive registration process raised the specter of an inevitable and onerous bureaucracy.

President Roosevelt was both angry and worried about the "continuing misinformed attacks" on the Social Security Act from conservative quarters. He wrote a letter from his country home in Hyde Park on August 22, 1936 only a few months before the registration of employers and employees for social security pensions and unemployment compensation would start. He suggested to John G. Winant, the chairman of the Social Security Board, that he encourage his staff to attend non-partisan meetings, not party rallies, to give up-to-date

information about the Act. It was a legitimate function of civil servants to give straight-forward information on government programs.¹¹

According to McKinley and Frase in *Launching Social Security* “all the board’s [Social Security Board] inhibitions about publicity were swept away by the pay-roll stuffing campaign carried on by many employers in conjunction with the Republican party. Starting in Cleveland and rapidly spreading throughout the country employers distributed propaganda leaflets against the S.S. Act and the required deductions from employee’s wages.”¹²

About ten days before the election, as reported by McKinley and Frase, Commissioner Altmeyer, on “suggestion” from the White House, directed James Douglas, chief of the motion picture division of the U.S. Information Service to move immediately to distribute the Board’s film on the nature and content of the benefits of the Social Security Act as widely as possible. It was entitled We the People and Social Security. Douglas went into immediate action himself by driving from New York to Washington distributing films along the route. The same method was used in other parts of the country, using either Board employees or democratic party workers. Douglas even managed to show the film on Times Square, New York, using a sound track. Four million people saw the film by November 3.¹³

McKinley and Frase wrote that a larger logistic job was advance publicity in a series of press releases in the last few days of the President’s campaign counteracting various forms of misleading information issued by the Republican National Committee and related groups. The sticky problem as far as employers were concerned was the first official statement in a press release on the assignment of account numbers for both employers and employees (SS-4 and SS-5) and samples of their forms and a specimen of the social security account card. The cooperation of the Post Office Department was stressed, presumable to symbolize the official

character of the process. Thirteen more press releases were issues in the period up to and including January 1 during which time most of the assignment of account numbers was made. The time pressure was intensified because it was late in the fall before the decision was made to use the Post Office. It was estimated that as for newspaper publicity about 80 or 90 percent of the newspapers carried all of these press releases. On their own initiative many newspapers ran a series of articles over several weeks with and questions and answers on social security old-age pensions. These articles were provided by the Associated Press, the United Press, and the Hearst chain -- 340 newspapers cooperated.

The Board itself increased the number of its own press releases and even sent out three foreign language releases on old-age pensions in twenty-four languages to almost the entire foreign language press in the country: "These releases usually made the front page." Also, during the registration period there were twelve nationwide broadcasts by well-known individuals such as Winant then former chairman of the Board, William Green, President of the American Federation of Labor, Fannie Hurst (popular novelist), and Hendrik Van Loon, (popular writer).

There were estimates that about 3,300,000 posters printed were actually distributed. In addition fifty million copies of the Informational Service pamphlet (Security in Your Old Age) No. 9 were printed and distributed under extreme time pressure.¹⁴

McKinley and Frase reported that one evening 125 members of the Social Security Board staff, including many executives, stuffed thirty-three thousand envelopes with one hundred copies in each envelope of this circular. They were to be sent to thirty-three thousand local AFL unions throughout the country, following up on a letter from William Green, President of the AFL.

The Democratic National Committee in New York learned about these pamphlets and late on a Saturday night telephoned the director of the Informational Service to send a messenger to New York immediately with ten thousand copies, and a press release to newspapers. To make the situation even more hectic when the messenger arrived in New York after midnight, the Committee telephoned the director and asked if one word could be changed in the pamphlet. There was objection to the word taxes instead of contributions, key semantics in the Social Security jargon. By then it was too late and the pamphlets went out, with no apparent damage.

A few days after the election Wilbur Cohen, with other staff members, went to the New York headquarters of the Democratic party to write speeches for the Democratic campaigners, and to provide information to defuse the Republican pay-roll stuffing campaign.¹⁵ The foregoing reveals the working context in which Cohen played a part. Recall that this was about 18 months from July 1934, to the time the publicity and registration was completed in January, 1937.

Through this hubbub Cohen was wondering if there was a future in the Government. His title as Technical Consultant to Altmeyer was not particularly impressive. It implied little authority and a diffused responsibility. He wrote Witte early in 1936 to write a letter of recommendation to a Harvard faculty member who Witte knew and who was on the Harvard Fellowship Committee for a letter of recommendation. It appears that Witte did so.¹⁶ Cohen wrote to a couple of philanthropic foundations. Nothing is known to have come of it. In the meantime he got further and further involved, literally body and soul, as Technical Consultant to Altmeyer. And as the foregoing letters from Witte and Altmeyer reveal, Cohen created his own job; his civil service job description must have been quite vague. This is the kind of position Cohen wanted and thrived in - a freewheeler.

References

1. Wilbur J. Cohen, 1962-1964 folder, Chronological Correspondence, March 1963, Wisconsin Historical Society.
2. Wilbur J. Cohen, Papers, Articles and Speeches, nos. 1-6, 1934-1935. Box 248, Folder 1
3. Preliminary Report of the Staff of the Committee on Economic Security and The Technical board on Economic Society, September 1934, Appendices. Washington, DC, Government Printing Office, 1934.
4. U.S. Congress House Subcommittee on Fiscal Affairs, Committee on the District of Columbia, 74th Congress on H.R. 3809 Rent Commission, Washington, DC, GPO, 1935, p. 27-44, WIC Paper No. 1-6, 1934-1935, Box 248, Folder 1.
5. U.S. Congress House Committee on the Civil Service 74th Cong. 1st Session, H.R. 3980 for the Improvement of the Government Service. Washington, GPO, 1935, p. 381. Miscellaneous WJC Paper nos. 1-6, 1934-35, Box 248, Folder 1.
6. W.J.C. paper, Box No. 1, Folder 1935-1936. Wisconsin State Historical Society.
7. W.J.C. Papers, Box 248, Folder 2, 1936-38.
8. W.J.C. Papers, Box 47, Folder , 1955-57
9. Ibid.
10. W.J.C. Papers, Box 243, Folder 1, chronological correspondence, Oct. – Dec., 1972.
11. W.J.C. Papers, Box No. 1, Wisconsin State Historical Society 1935-1936.
12. Charles McKinley and Robert W. Frase, *Launching Social Security*. Madison, WI, University of Wisconsin Press, 1970, p. 358.
13. Ibid. p. 364-365.
14. Ibid.
15. Ibid, p. 358-359.
16. W.J.C. Papers. Box No. 1, State of Wisconsin Historical Society folder 1935-1936.

Chapter 4: Cohen Discovers a Strategy—Creativity in a Marginal Role, 1937-1956.

Sociologists have a concept called the marginal man (person), one who straddles, cultures, cuts across occupational lines, moves into cracks in the changing occupational structure, is sensitized to social movements, fits one self in to overlapping circles, takes risks; Cohen was that type. He had, however, one constancy by which he was not marginal – the vision before him of a more equitable and just society, apparent at the age of 17. Marginality was his strategic base of operations toward his vision. Many young men and women like him were attracted to Washington during the New Deal days. They formed the core of the New Deal philosophy in the new agencies created by the New Deal, notable The Social Security Board and its employees in Washington and all over the country. Instead of the early exhortation “go West young man,” men and women trained in law and the social sciences of that time decided to go to Washington instead.

The formulators of the Social Security Act were technical experts who valued careful preparation between the enactment of the Social Security Act in August 1935, and the beginning of payroll deductions from employers and employees on January 1, 1937. Benefits were not to start until 1942 in order to accumulate a financial reserve. Also, in their minds was the question of whether or not the Supreme Court would decide that the Act was constitutional. The court decided on May 24, 1937 that the Act was constitutional, both the unemployment compensation provision by 5-4, and the old-age pensions by 7-2 margins. The period from January 1, 1937 to the decision of the Supreme Court in May, 1937 when payroll deductions took effect was full of tension among both employers and employees. It was a new experience for them to have the Federal Government tax payrolls or as preferred by the backers of the Act to compel contributions at one-percent of payroll from each party which was estimated to amount to \$505

million from employers and employees in a year, less the cost of administration. By 1942 there was a vast surplus of contributions over expenditures for pensions. What would the government do with this surplus? ¹ The government invested in itself, so to speak, in the form of Government Bonds. The critics of the Social Security Act in Congress particularly Republican Senator Arthur Vandenberg of Michigan argued: "That it [the surplus] would remain intact and not suffer periodical depletions is more than human nature in a political democracy can rationally anticipate." ² The view was that a large surplus was temptation to liberalize a program on a short term basis and for political reasons during periodic elections.

The formulators of the Social Security Act appeared to believe that the Act with a free standing Social Security Board having its own administrative and budget entity could be operated more or less like a private insurance company -- but more directly in the public interest. Moreover, in these early days of the Roosevelt era the Social Security Board Commissionaires had direct access to the White House. The archives reveal frequent personal memoranda between them. In this connection I had frequent and fruitful conversations with Jack Barbash, Professor Emeritus of Economics, an authority of labor economics and social insurance who knew Witte. Barbash believes that they overestimated the capacity to keep Social Security independent of Congress and politics. They were experts and professionals on the German civil service model. They had experienced that possibility in Progressive Wisconsin in the creation and administration of worker compensation, The Industrial Commission, and unemployment compensation, known as the Wisconsin Idea of interaction of the legislature and University of Wisconsin professors in economics and agricultural development. Witte and Altmeyer carried the concept to Washington, but Washington did not have the German bureaucracy that Bismarck had in the 1880's.

In any case Congress and, presumably, the covered workers would not wait from 1937 to 1942 before pensions would start. Moreover, it was the intent of the Social Security Act to expand gradually from employed groups to self-employed and also expand benefits beyond the pensions to individual workers incrementally whenever politically and economically feasible. The federal administrators sensed impatience of Congress and in 1938 proposed to assist the family by adding survivors benefits to the old-age pensions. Arthur Altmeyer, The Social Security Board Commissioner, formulated the “family” concept. As Berkowitz noted, the concept was made up of several features of the Social Security amendments of 1939 added only two years after the payroll deductions began. These features involved new benefits for elderly retirees and their widows, new benefits for the survivors of workers who died before retirement age, and finally, the elderly would not have to wait until 1942 to receive benefits. They would start in the near future. There were critics of these amendments given the apparent policy of the originators that the contributions of the workers and employers should mainly be related to their benefits (The employers’ contribution in effect being a wage loss to the workers). The Social Security pensions were not to be constructed as welfare, but as a right related to wage levels. In short, the pensions became a mixture of both, i.e., part paternalism and part equity.

I do not believe formulators intended pure equity, but to present the payroll deductions and benefits integrated as a flexible social instrument responsible to social needs but avoiding the welfare stigma. This policy was expressed quite clearly in a letter from President Roosevelt to Altmeyer dated April 28, 1938 during the time that amendments were being debated in the Congress:

The enactment of the Social Security Act marked a great advance in affording more equitable and effective protection to the people of this country against widespread and growing economic hazards. The successful operation of this Act is the best proof that it was soundly conceived. However, it would be unfortunate if we assumed that it was

complete and final. Rather, we should be constantly seeking to perfect and strengthen it in light of our accumulating experience and growing appreciation of social needs.

I am particularly anxious that the Board give attention to the development of a sound plan for liberalizing the old age insurance system. In the development of such a plan I should like to have the Board give consideration to the feasibility of extending coverage, commencing the payment of old-age insurance annuities at an earlier date than January 1, 1942, paying larger benefits than now provided in the Act for those retiring in the earlier years of the system, providing benefits for aged wives and widows, and providing young children of insured persons dying before reaching retirement age. It is my hope that the Board will be prepared to submit its recommendation to the Board before Congress reconvenes in January [1939]³

The Social Security provisions were regarded as a “social contract” rather than a private contract on private insurance lines and had the full backing of the majesty of the United States of America! The adequacy/equity mix continues to be an object of policy disputes even up to this time (1993). In the minds of the formulators the government was a social instrument to be flexible in changing times.

When Cohen was hired by Altmeyer with the title of Technical Advisor in 1935 after The Social Security Act was passed, he was seemingly, as a matter of course, given the same responsibilities and duties he had under Witte. In 1947 Cohen wrote a retrospective memorandum to nobody in particular, but apparently for the record, describing his responsibilities and duties under Altmeyer over a twelve year period. The memorandum was casually written as if Cohen wrote it to himself, maybe even showing it to Altmeyer for his information:

Is responsible for the coordination of policy relating to legislation affecting the Social Security program. He is generally responsible for the clearance and preparation of reports in all matters affecting legislation. He performs such other related functions on program planning and policy matters as the Commissioner directs.

He has the overall responsibility for the preparation of the Annual Report of the Board of Trustees of the OASI (Old Age and Survivors Insurance) program and for carrying out their responsibilities of The Commissioner as Secretary of the Board of Trustees.

He represents the Department on the Subcommittee on Labor of the Interdepartmental Committee on Industrial Social Policy and works with the Inter-

American Committee on Social Security. Accompanies officers when testifying before Congress, attends meeting and hearings, assists Commissioner on “policy”.⁴

Cohen was engaged in these activities from the age of 22 to 34, bridging the Roosevelt and Truman administrations. It should seem quite possible that as Cohen probably got around Washington even more than Altmeyer, that he became to be regarded as Altmeyer’s “unofficial” deputy and could at least informally speak for him.

Cohen worked under (maybe better described with) Altmeyer from 1935 to 1953 when Altmeyer retired. On December 8, 1968 (Cohen was then Secretary of HEW under President Johnson) David G. McComb asked Cohen about his style of operating: “. . . did you develop any principles or particular attitudes in dealing with Congress and committees . . .?” Cohen said that he could answer the question but not in a simple way:

The key to it is what I have sometimes called the principle of looking at the problem from the standpoint of the consumer, [drawing on his experience as a sales clerk in his parents grocery store in Milwaukee]. When you're in the Executive Branch and the President has formulated certain recommendations, you're selling a certain product or service just like any businessman is. What you've got to do is turn the problem around and look at it from the standpoint of the legislator who is in that sense the consumer, and then try to see where he sees the price of the product is too high or the service is imperfect or how he wants it changed. I'd say the fundamental principle then is to turn yourself around a hundred and eighty degrees and see what his problems are. And if you can work out this problem, then you can get the legislation passed.

McComb: “That means you're going to have to know the man you're dealing with intimately?”

Cohen:

Well, you have to know the factors that impinge on the man before you can know the man. A Congressman or a Senator is the end result of many, many different factors that are not all personal. They may grow out of the character of his constituency; his ultimate goal for himself politically; his own personality and ambitions; the situation in his constituency as against whether he comes from a safe one or a borderline one; whether he is a Northerner or a Southerner, a rural or an urban man, a conservative or a liberal, a populist or a reactionary. And you have to make an evaluation, but the evaluation is based upon more than just understanding the personality of a man because as a Congressman he's faced with problems and you've got to know what those problems are.

McComb: "You've got to know his background?"

Cohen: "You've got to know his background."

McComb: "How do you find this out?"

Cohen:

Well, you work on it. You make every effort to talk with him; talk with the members of his staff, analyze his psychology, talk with members of his district, talk with his friends, talk with his enemies, talk with everybody you can until you get an insight into the totality of it, and it's usually very complicated. It's not something that you can put in a computer and get out an answer. Every man is different, every man and every woman is different, and is affected by different factors. Again, a man is very different if he's the bottom man of a committee or he's the chairman. And you have to understand his relationship in Congress. A man is in Congress, but he wants to run for the United States Senate in five years -he's obviously going to do different things than if he isn't. If he ultimately hopes to be Speaker of the House in fifteen years, that might be a factor in addition to all the others. You have to know his political ambition --really know them. You have to have a sense of what those possibilities really are. And if he comes from a small town, his attitude toward problems is going to be much more individual and personal than if he comes from a big district inhabited by ethnic minorities. So that when you deal with Wilbur Mills, you're dealing with one kind of man; and when you're dealing with Russell Long, you're dealing with a vastly different kind of man.

Russell Long has, for instance, a certain heritage from his father Huey Long; and while there are many things that Russell Long is in favor of that would make his father turn over in his grave, nevertheless, Russell Long still has a strong, strong, populist, radical, share-the-wealth attitude even though he's one of the men who, on the other hand, stands with the oil interests in preventing an amendment of the depletion allowance. And you've got to understand that Wilbur D. Mills comes from a little town of 2,500, which is a small rural town, but he nevertheless is a Harvard Law School graduate who has got an incisive mind. Now, you can't work with these men unless you understand those inconsistent factors.

McComb: "I see. So, before you go into a committee meeting you want to know about the people you're going to face and preferably about what they object to about your program and then you see if you can meet these objections?"

Cohen:

Well, you try to find out several things. You try to find out the ones in the committee who are for you. You take a committee of twenty-five and there are probably something like five people who are very strongly for what you want, five people who are very much against what you want, no matter what you're going to do or say, then you've got the other fifteen that are all over the lot and you've got to figure out how you deal with these twenty-five people.⁵

Cohen became known as the “salami slicer” in steering legislation through the Congress. As the story goes he sliced each piece of salami, a beginning proposal very thin to get it started, adding one thin slice after another, until eventually there was a whole sandwich. This was Cohen in a retrospective mood in 1968 and a seasoned strategist and skillful compromiser toward a full "sandwich." Fidel Fauri, a good friend and colleague of Cohen, who in 1949 was serving as a staff member of The Ways and Means Committee, observed that Cohen did not start as a “salami slicer" but later learned to adapt himself to the incrementalism of the democratic political process: “Well, Wilbur at that time was a different man from today [1966]... at that time [the Forties] it was quite difficult to get him to compromise on anything. He would take the White House line and push it and push it, and that was it.”⁶ Fauri added that sometimes Cohen was excluded from executive sessions.

Cohen told McComb that his first big break as a strategist and leader in policy was in 1939. He was twenty-six years old, when he reported:

Mr. Altmeyer brought me to the public hearings as his assistant, and I attended all the Executive sessions in the House and Senate and The Conference Committee in the molding of the 1939 amendments. And it was through that process that I originally became identified as being a kind of legislative expert on policy and programs. And, of course, from then on my life was inextricably mixed up with the legislative process in the House Ways and Means Committee and the Senate Finance Committee. I never, since that date to now [1939 to 1968], have changed that.⁷

Although Cohen recalled vividly that this break came in 1939 after four years as Altmeyer's Technical Advisor he was quite in the thick of policy within the staff, as evident in his memoranda to one person or another, particularly to Altmeyer. Cohen believed in recording his suggestions and views. Also, he was very much aware of the desirability of publicizing the Social Security Act, particularly the pension part. Shortly after the passage of the 1939 amendments Cohen helped Altmeyer respond to a request from President Roosevelt for material

for his annual “fireside chat” Christmas message in December 1939. Altmeyer suggested that the President inform the American public that additional benefits would begin on January 1, 1940 under the amended Social Security Act. There would be earlier pensions for wage earners reaching age 65, and for widows and orphaned children.⁸

In 1938 Cohen had a big break of another kind. He proposed marriage and became a traveler. The Altmeyers went to Europe in June 1938 to study the experience of the social security programs in Europe - London, Paris, Berlin, Vienna, Prague, Brussels, and the Hague. Cohen, who had done the staff work for the trip, was also to travel to Europe, but later in the year. The prospect of this trip precipitated his marriage to Eloise Bittel a Baptist of German descent from rural Texas. She was interested in social work and swept up in the New Deal activities. Cohen met Eloise at a labor union meeting in Washington in 1936. She also worked for the Social Security Board. She was the same age as Cohen. They met again in the corridor of Cohen's office building and decided to have lunch together. They found that they had a lot in common as to their views of politics, welfare, and social justice. Berkowitz wrote “New Deal cosmopolitanism triumphed over American provincialism, and a romance was launched.”⁹

Cohen ran up to New York to see Eloise about getting married, and the trip to Europe would be their honeymoon. They had to move fast as was usual for Cohen. According to Berkowitz “there were complications.” Both Eloise's and Wilbur's parents were apprehensive about this mixed ethnic marriage. First they needed to find someone who would marry them. Cohen finally found a Jewish justice of the peace in Arlington, VA. His parents, Aaron and Bessie, came in from Milwaukee.

Cohen had difficulty picking a day to get married. He was too busy! Cohen notified Eloise that April 8, 1938 would be possible. Berkowitz reports, “The service,

nondenominational, contained some Jewish touches. His father said a blessing and Wilbur stepped on a glass. Wilbur announced that he had to be back at his office and left Eloise alone with his parents. Eloise took them to a diner for hamburgers!

The newly married couple went on a fast-paced tour of England, France, Switzerland, Czechoslovakia, Holland, Belgium, and Poland. Eloise was very struck by the “vigorous” Poles, the origin of Wilbur's ancestors. As Berkowitz notes, “... despite an abundance of friends and no shortage of family, they lived in a sort of ethnic no-man's-land, cut off from her Baptist and his Jewish roots. They spent their lives in places to which more people came than settled, places that gathered people from across the country and where one's occupation tended also to become one's religion.” (Emphasis, mine)

The Cohens returned from their European trip and life continued its hectic pace. January 1940 was the start of social security benefits, two years ahead of the original starting date of January, 1942. On January 5, 1940 Altmeyer wrote a stirring memorandum to President Roosevelt to be incorporated in The President's Jackson Day speech:

This month protection begins for some 47,500,000 workers insured under a system of national insurance.

Much of this program we have called the New Deal has been concerned with an attack upon forces and practices external to the family but which have threatened the security of individual families. We have attacked fraudulent finance. We have created conditions for more effective bargaining between worker and employer. Depositors no longer lose their savings in banks. Farm debts, home debts and business debts have been placed beyond the reach of usurers, profiteers, and manipulators. Employment has been created and stimulated in many fields.

From 1923 until 1929 we had our years of plenty, and the voice of Joseph was not heard in the land. There was no planning for lean years that were to follow. There was no assumption that there would ever again be lean years. There was only a riotous assumption that a new era had dawned, that the chips would mount higher and higher, that family cars and chicken fricassee would multiply like rabbits, that a gambler's paradise was a new American way.” “Those who talk theory, those who think they can win in a society of gamblers, will tell you that as the government grows strong, men and

women rely upon it and that the family ties weaken. They don't want (emphasis, Altmeyer) to see a working alliance between the government and the ordinary man.

I don't believe their story.

I don't believe that it strengthens the character of a family to bet its security on the chance that American industry may find itself in a perpetual boom.

I simply don't believe that security creates dependence.

Give the American family a secure place to plant its feet and a reasonable grip on its own immediate future. Then, and then only do you have the conditions upon which sound family life and independent living must be based.¹⁰

This was an eloquent statement of the formulators' and administrators' philosophy, on which the Social Security Act was based: a high "safety net" on which households can still improve their standard of living rather than a low subsistence "safety net" of the public assistance tradition.

In the midst of these global concerns Cohen saw to it that his chief, Altmeyer, would pay attention to public relations details. For example, Cohen suggested to Altmeyer that he write a letter to the President congratulating the Bishop Paul Rhode on the occasion of his 25th anniversary as Bishop of the Catholic Diocese of Green Bay, Wisconsin. Cohen suggested the following text: "Beside caring for the spiritual welfare of your people, you have also cared for their social welfare. Through your efforts much more adequate provision has been made for the dependent children, young people, and aged of your diocese."¹¹

Very shortly after the benefits of the Social Act started, although only a trickle, on August 14, 1940 Senator Wagner (D., N.Y.) and Congressman McCormack (D., M.A.) introduced similar bills to expand coverage eventually to agricultural and domestic workers, employees of State and Local governments, non-civil service employees, employees of non-profit organizations, etc. In time 60 million workers would be covered under this proposed expansion.

Through both Congress and The White House Altmeyer continued his relentless push to expand The Social Security provisions. This was the policy environment in which Cohen participated literally day and night - and weekends.¹² A “general memorandum” from Altmeyer to Lauchlin Currie, administrative assistant to the President on December 23, 1940, presumably directed to the annual Christmas message, brooded over changes and extensions of the Social Security Act to use government as an instrument for the welfare of the people. He covered the waterfront: currently uncovered employees, public assistance for those not on social insurance, disability insurance, and medical care, disability insurance and health insurance being the remaining spokes in an incomplete social security wheel. Interestingly, Altmeyer requested that the memorandum be regarded as confidential, thus allowing the President whether to decide to publicize it. Altmeyer seemed always to express policy through the hierarchy and not as an individual civil servant.¹³

The next month Altmeyer sent a memorandum addressed to the President, January 2, 1941 before the Congress convened. Great Britain was under siege by Germany at this time and the President was trying to help—short of military intervention— an issue which was settled on December 8, 1941 the day after Japan attacked Pearl Harbor. Altmeyer wrote:

If war-torn Britain finds it possible and necessary to improve and extend her social security systematically we can and should do so (Great Britain was formulating a bi-partisan social security plan to be initiated after the war ended known as the Beveridge Plan). Therefore, I urge that this Congress give consideration to ways and means of improving our social security program so as to provide for all people of this country a minimum basic security upon which they may build for themselves a more complete security through their own individual efforts. I am convinced that such a minimum basic security is necessary for the maintenance of a system of free enterprise as distinguished from a system of governmentally managed enterprise. (Altmeyer was likely thinking of the fascist and communist systems). In fact, if our democracy is to accomplish its fundamental purpose of protecting the inalienable right of our citizens to life, liberty, and the pursuit of happiness, it must provide this minimum basic security upon which the exercise of this inalienable right depends.¹⁴

The Beveridge Report highlighted four scourges of humankind: Want, Disease, Ignorance, and Squalor. There was great interest in the Social Security Board regarding the British “welfare state” developments. Cohen corresponded with informants in London and in the International Labour Office in Geneva and reported to Altmeyer. It is interesting that from a tactical point of view Altmeyer cautioned not to include health insurance at this time, but to include disability insurance.

The United States put social security on hold “for the duration.” Nevertheless, there were internal memoranda being circulated in the social security “establishment” of the Federal Government. It is difficult to determine how complete Cohen's archives were on these internal activities, but he deposited enough to reveal the internal ferment. An early example is a memorandum from I.S. Falk, the director of the Bureau of Research and Statistics of the Social Security Board on May 23, 1941. The memorandum referred to the possibility of a hospital insurance plan for the elderly on social security pensions.¹⁵ Already there was internal strategy to foster universal health insurance by a flank attack, by starting with the elderly, which might be politically feasible.

Cohen wrote a related memorandum to Altmeyer on August 26, 1942 in which he argued for a single national social insurance system covering the major risks of old age (emphasis, mine), death, temporary and permanent disability, unemployment (then federal-state), and hospital insurance.¹⁶ The latter would by-pass physician's services for the time being. (All this time Witte kept some contact with Cohen about his own needs for information for a book he was writing on the history of Social Security. He would be in Washington on January 5, 1942 to see Cohen about it.)

Altmeyer and the Social Security Board kept moving incrementally on expansion and selected disability insurance as the next program to push. In this connection Altmeyer wrote a memorandum on January 4, 1943 to Dr. Thomas Parran, then Surgeon General of the U.S. Public Health Service regarding adding disability to social security. Disability would obviously be of interest to The Surgeon General; in fact, the memorandum was delivered to the Surgeon General's home. Apparently the Social Security Board was preparing for the next Congress. The memorandum was very detailed with data, justification for implementation, and financing. The payroll tax would be raised 1-2 percent each from employer and employee on top of the current social security payroll tax.¹⁷

Cohen was helpful to anyone who asked for information or counsel regardless of political views, although perhaps most requests came from proponents of social security. Examples are: On January, 1944 Cohen wrote a letter to Robert Watt, American Federation of Labor regarding material he was sending Watt for his use in a speech to be given before the Sixth Annual Congress on Industrial Health to be held in Chicago on February 15-16. The subject was the Wagner-Murray-Dingell comprehensive health insurance bill S.1161.¹⁸

Later in 1944, Cohen had an appreciative letter from Nelson H. Cruikshank, Director, Social Insurance Department, American Federation of Labor. Cruikshank thanked Cohen for all the help given to him and his staff to improve Social Security.¹⁹

Cohen remembered Social Security anniversaries. On the twelfth anniversary of the signing of the Social Security Act in 1947, Cohen wrote a reminder memorandum to the Acting Director of The Board on July 10, 1947 that two million people were now receiving Social Security pensions and then there should be some national publicity prepared for this occasion.²⁰

With the death of President Roosevelt on April 12, 1945 Social Security lost a devoted supporter, but Roosevelt's successor Vice-President Harry Truman was an even more vociferous supporter, particularly of health insurance. On March 26, 1948 Altmeyer sent a long and strong letter to President Truman recommending substantially increasing Social Security pensions and extending Social Security coverage to farmers, farm workers and other self-employed people in small businesses and also servants like maids.²¹ This was accomplished by amendment to the Social Security Act in 1950.

In apparent anticipation of the passage of these amendments it is of interest that Cohen wished to get out of this legislative whirlpool for a while. He had been actively involved for fifteen continuous years. He wrote his old mentor, Witte, on October 12, 1949: "As soon as my work on the current legislation is finished, sometime next year, I hope I can get away to do something different - although in the social security field. I should like very much to either make a particular study of some new problem or go to one of the foreign countries and help them establish their social security system. I doubt whether it is possible for me to teach somewhere for a semester but I should certainly be willing to undertake the assignment if I could find one."²²

It is apparent that Cohen had given up his early ambition to return to graduate school and become an academic. Although the foregoing quote reveals a desire to have a quiet sort of break for a while he still could not resist throwing himself into problems of another country to help them establish their social security system, a busman's holiday as it were. Nothing came of this idea.

Cohen continued to keep himself very busy by writing personal letters to many Congress members for their help in connection with the Social Security amendments of 1950. He wrote a very appreciative letter to Senator Scott Lucas, on April, 1950. Congress had been ambivalent

regarding public assistance to the states on a means test or payroll deductions for Social Security pensions as a matter of right. In the letter to Lucas Cohen he quoted the philosophy of J. Douglas Brown, economist at Princeton University, who had testified on the value of relating pensions to income rather than “flattened differentials” and “comfortable averages:”

This was to make things easy and avoid the trouble of differentiating talent, effort, or character, we are tempted to concede flat insurance benefits, flat assistance grants, flat rates of pay, flat levels of education, and a tragic averaging toward a single norm in scores of aspects of life. This is one of America's greatest dangers.

I would especially like in respect to benefits, to emphasize the great importance of maintaining a full spread of differentials in old-age and survivor's insurance structure. A contributory social insurance system should strengthen rather than weaken the incentives so necessary to a free-enterprise system. In our efforts to support our least fortunate citizens it is easy to break down incentives by lessening the differential rewards for steady employment, higher earnings, and self-improvement.²³

This quote fully expresses the bedrock philosophy of the formulators of The Social Security Act and assiduously promoted by Cohen all his life.

Cohen was a continuous gadfly, trying always to set the record and the intent of Social Security straight. For example, he wrote a letter to Walter Cooper, Industrial Relations Counsellors, Rockefeller Center, New York on March 28, 1950 regarding employer testimony on H.R. 6000 to extend The Social Security coverage. Cohen complained that the testimony of business representatives was weak - all critical - i.e., they were not well-informed. Cohen, the rationalist and a great believer in participatory democracy, felt that testimony for or against something should be based solidly on the facts. He observed “that business and industry did not bring in top business leaders comparable to Walter Reuther of The Congress for Industrial Organization (CIO), William Green of The American Federation of Labor (AFL), visible national figures who had political clout and could enunciate policy. The business representatives giving testimony did not have comparable stature in the political scene.”²⁴

Cohen's files in the archives are largely chronological, making it quite easy to follow his career. I am doing so at the risk of hopping from possibly disconnected thoughts and events but at the same time showing the range of thoughts and events he experienced both proactively and reactively. He flowed with events. In the 1950's he noticed the emergence of retirement plans in industry. Social Security pensions, having been designed to provide a reasonably adequate floor upon which private pensions could be built, it was important to take notice in policy in their formulation. In a letter to P.C. Stewart, Sales Manager, Department of Lighting, City of Seattle on September 17, 1950 Cohen informed him that there were then 13,000 retirement plans in industry. Cohen wanted to know about the plan in Seattle. Apparently he was writing letters of inquiry to firms he heard about.²⁵

The following week Cohen was in Puerto Rico. He received a letter from his secretary, Betty Sanders reporting on matters in the office which were pertinent. She wrote: "Things have been fairly quiet today, only a few phone calls, none very important:

1. Mr. Corson called and asked if there was any information on what the Committee [of congress] would do about benefit formulas, disability, and definition of "employee."
2. Mr. Cooper, attorney for Hawaiian Sugar Planters called to find out what the Committee had done on farm workers.
3. Mrs. Malmberg of the American Library Association called about librarians, state and local and non-profit.
4. Mr. Federline, National Association of Women's and Children's Apparel called to confirm his impression that the Finance had an outside salesman defined as employee. What to do next? Call Bob Ball in Baltimore.
5. Mr. Oaks, Joint Committee on Internal Revenue Taxation called to ask about

eligibility requirements for disability benefits under H.R. 6000.

6. Ted Ellenbogen from the Treasury called for information on this and that.²⁶

And his Secretary wrote that “things have been fairly quiet today!” The very next day on April 26, Cohen's secretary wrote: “Things have been even quieter today. You must have taken all the excitement with you.”²⁷

By the end of 1950 Congress had expanded the Social Security Act to cover farmers, farm workers, and other self-employed. Also the income limit for payroll deduction rose from \$3,600 to \$6,000. This news was sent to the White House on November 26, 1950 to be incorporated in President Truman’s State of the Union Message in January 1951.

Cohen learned that it was difficult to anticipate the unintended consequences effects of legislation. In a speech before the Public Welfare Administrators held in Washington, D.C. on September 11, 1950 after the passage of the OASI act expanding coverage to the self-employed:

I was thinking the last few days about the important factors which affect legislation. I was impressed by the multitude of things which I would like to tell you about. However, the ones which seemed to stand out in my mind were not the most important ones but the ones which were unexpected, unforeseen, the unusual things which no one could contemplate in planning for legislative work on the Hill.²⁸

Cohen's son Bruce told me that his father, even when he became very prominent, never had an unlisted telephone number. He answered telephone calls day and night, seven days a week at his home or office. A telephone ring fired him up, jumping out of his chair even on a Sunday afternoon. (interview on September 17, 1991, Glencoe, IL.)

The next item on the agenda of expanding coverage of Social Security in 1950 was to include hospital services and Old Age and Survivors Insurance (OASI). Cohen wrote a memorandum to I.S. Falk on January 10, 1951, likely one of the first internal memoranda on this matter. In it, he reported on a meeting on January 9, 1951 with Oscar Ewing, the director of the

Federal Security Agency, to discuss the “various aspects” of hospital care for OASI recipients. Covering the elderly would be a run-up to eventual coverage for the entire population. Ewing was going to talk with some hospital people and President Truman about such a proposal.

The movement within the Federal Security Agency was rapid. On January 30, 1951 Cohen wrote a memorandum to Reginald G. Conley (who was apparently part of the administration-technical staff): “*A Plan to Provide Hospital Insurance Beneficiaries of Old-Age and Survivors Insurance System.*” Cohen wrote: “In accordance with your telephone conversation I am attaching herewith some specifications for a legislative proposal providing hospitalization benefits to OASI beneficiaries. I shall appreciate it if you would discuss this matter with Mr. Willcox (legal counsel) and make arrangements for drafting this proposal into a bill.” This proposal was already known to other staff members, for Cohen wrote: “Mr. Falk, Mrs. Merriam of the Division of Research and Statistics and Mr. Robert Ball and Mr.

George Rohrlich, of the Analysis Division, OASI are familiar with the technical details of this proposal in case you desire additional information.”³⁰

As an indication of the thoroughness with which Cohen laid the ground work for easy communication for Congressional supporters of the proposal, he sent a list to Julius C. Edelstein, Executive Assistant to Senator Herbert H. Lehman (D., N.Y.) of names and telephone numbers of civil servants in The Federal Security Agency who could “help in the details of legislation.”³¹

Cohen probably had a hectic home life too. On February 6, 1951 he wrote to an old friend and colleague, Professor Herman Somers, economist at Haverford College about mislaying a letter from him: “I received your letter at home and promptly misplaced it. Whether one of the boys took it or not I cannot say. Anyway, after a couple of days looking for it, I cannot find it.”³²

(By this time Cohen had three growing sons, Christopher born on July 10, 1942, Bruce on June 21, 1944, and Stewart, October 5, 1946.)

Happy as Cohen seemed to be, basically he felt constrained by Civil Service salaries. He wrote a letter to a long-time friend, M.S. Editor Labor and Management, Business Week on June 1, 1951. (I frankly am at a loss how to interpret his letter): “I am sorry I did not tell you that in my spare time I am a public relations officer for the American Tobacco Company. This is one of the many subsidiary duties which I have undertaken primarily due to the low pay and terrible working conditions of Federal bureaucrats.”³³ Was Cohen kidding about being a public relations officer for tobacco as a Civil Servant? It seems likely that he was, and he did have a wry sense of humor. *

Returning to hospital insurance, Cohen wrote a letter to Representative Hugh B. Mitchell, (of Washington) on August 3, 1951 who wished to know how much the OASI hospital insurance bill would lower the hospital bill for old age assistance in The State of Washington. Cohen's answer was \$600,000 to \$960,000, probably the former.”³⁴ Apparently there was a glimmer of Congressional interest in hospital insurance for the elderly. One effect would be decreased expenditure from general revenue for hospital care for the elderly on public assistance in the states.

Interspersed in his archives Cohen now and then wrote advice to the young about the nature of the American political system. An example is a letter to Mary E. Dawson on the Democratic Party staff about a query from her nephew: “I have sent the enclosed letter to your nephew which may help only to confuse him. The trouble about all the complex problems is that after you work at a very nice solution you may not be able to get political support for them. This

is a difficult thing to convince a young person who, of course, will be concerned with what is the 'right' solution rather than what is politically feasible.”³⁵

Cohen was always watching out for criticisms by newspaper columnists and journal article writers of the Social Security pension program. Indeed, he wrote to both, and for the critics he was eager to set them straight. (In fact he was so honest with facts that I believe he would write a correction of a favorable article if indicated.) An example of a response to a criticism is a letter from Cohen to the Editor in Chief of the Yale Law Journal, Oct. 2, 1952. Cohen noted that he was critical of an unsigned article in the January 1952 issue “Cost and Coverage of Industrial Life Insurance.” In it there was a brief discussion of social security benefits in which the statement appears: “Inevitable administrative delays may hold up actual payment [of the lump-sum death benefit under Social Security] for months, p. 72.” Cohen wrote that this statement was not valid. He had checked the evidence and reported that the lump-sum death benefit was paid on an average of 27 calendar days after the claim was received.³⁶

Always on the search for new data on various aspects of the Social Security Act, but now thinking more and more of universal health insurance, Cohen saw the emergence of health insurance as a fringe benefit in labor-management negotiations. What does this mean for the future of some form of government universal health insurance? What could be the emerging relationships between the private and public sectors in this matter? Cohen sent a prescient memorandum to Falk, Director of the Bureau of Research and Statistics that data be collected routinely on the proportion of premium paid by employers and employees and the growth in private health insurance coverage. Public and private sector relationships could easily become public policy issues.³⁷

Cohen kept pushing, undoubtedly with Altmeyer's backing. On November 10, 1952 Cohen wrote Altmeyer a memorandum: "Some Thoughts on Planning on the Legislative Program for 1953 and 1954." At that time Truman was ending his presidency, and Eisenhower, the first Republican president since Roosevelt's election in 1932, had been elected president in November, 1952. He would assume office in January 1953.

Some of Cohen's 'thoughts' were: There should be a comprehensive study of the OASI program at this stage of its evolution; continue to oppose repeal of the retirement test. There had been pressures in the Congress to lower the retirement age from 65 to 62. In Cohen's view this action would be too costly, diminishing payroll deduction into the reserve fund by three years. "Hospital insurance for the elderly OASI recipients will undoubtedly be introduced by Senator Murray (D., Mont.) and Representative Dingell (D., Michigan). If possible encouragement should be given to hold hearings on the proposal to have it studied by an Advisory Council or other group." Finally, Cohen recommended that support for hospital insurance for the elderly on OASI should resume "As we did in 1951."³⁸

Apparently Cohen's strategy was to mobilize a momentum in the Congress (which turned out to have a Democratic majority). The new administration was expected to be a relatively conservative one after the constant push of the Roosevelt and Truman administrations toward expanding Social Security coverage and the enactment of some form of universal health insurance, which turned out to be Truman's unfinished business when he left office.

After January 1953 the jobs of several civil servants attached to the Social Security Board were in jeopardy, Falk in the Bureau of Research and Statistics, Cohen as Technical Advisor to Altmeyer, and Altmeyer himself, near retirement. Falk left the government for Yale University. Cohen stayed on but was "demoted" to Director of the Bureau of Research and Statistics (Falk's

job) which was regarded as a non-policy position. Falk had used his position to propose policy publicly, particularly universal governmental health insurance, but even in his position as a collector and disseminator of facts he was attacked. For example; The Social Security Administration released its annual compilation of nationwide private expenditures for personal health services in December, 1952, including the portion paid by voluntary health insurance. The agency reported that after 15 or more years of growth, voluntary health insurance was paying 15.3 percent of the total expenditures for all health services. The figure was vigorously attacked by the America Medical Association as a “perversion of statistical information” in that health insurance was not intended to cover 100 percent of expenditures anyway.”³⁹

The major blow to the staff of the Social Security Board came when pressure was put on Altmeyer to resign. According to Lawrence E. Ekland, reporter for the Milwaukee Journal (April 11, 1953), Altmeyer had the title of Commissioner “for” social security when the Federal Security Agency was organized. When the Republicans came in 1953 the title was changed to Commissioner “of” Social Security. It was this technical change, according to the Milwaukee Journal reporter which “nudged” Altmeyer out of his position four weeks before he would have been eligible to provide a survivorship membership annuity for his wife. The reporter wrote a poignant news column titled “Mr. Social Security Loses His Job.” He wrote: “scarcely a ripple was caused in official Washington last Friday when Arthur J. Altmeyer slipped quietly out of public life, yet since 1935 he has been one of the most important men in the federal government, whose acts have affected millions of people...Probably not one in a hundred persons stopped on the street, even in his native Wisconsin, would be able to identify Altmeyer, but among the 15,201 persons who worked under him in the social security administration he has been ‘Mr. Social Security’ himself.”⁴⁰

Altmeyer's departure for retirement to Madison, Wisconsin did not disrupt eighteen years of a close working relationship between Altmeyer and Cohen. They corresponded frequently on personal and professional matters. As soon after April 1953 as August 10, 1953 a letter to Cohen from Altmeyer revealed that he had put Cohen up as a candidate to spend a year in Cuba with the Cuban government (before Fidel Castro): "A year in Cuba for you and the family, if things got unbearable at SSA, would not be bad. However, you must be careful not to cut yourself off from developments in this country and don't step out of SSA until you feel like it and feel that best from your personal standpoint. Aside from SSA nudging you badly is the fact that SSA owes you so much that you shouldn't feel any reservations about choosing your own time and circumstances to make up your mind." ⁴¹

A few months later Cohen wrote Altmeyer a letter which was probably a partial answer to Altmeyer's suggestion of a Cuba sojourn. Cohen was writing about the policy confusion affecting the administrators in the Social Security Board:

I haven't written you before because I have been so busy working on the legislative program for next year. It has been confusing because it has been difficult to determine who to consult [presumably in the executive branch] and how to reconcile differences. But this has been minor compared to the fact that we do not know what the guidelines and policies are - so we work in the dark. However, after much travail I think the recommendations will be on the constructive side. We have shed a lot of blood in the process but we are eating lots of red meat to make up for our loss.

Bob Ball, Bill Mitchell and I have been so busy jumping around it is impossible to be sane. Coupled with the demands of the Curtis subcommittee [Curtis who was a severe critic] and worries on personnel changing I wonder whether it is really all worthwhile. We are holding the fort, it is true. But the expenditure of energy is tremendous. ⁴²

The reference to "eating lots of red meat" was eventually the passage of legislation for permanent disability pensions for those covered by OASI and between the ages of 50 and 65. By the middle of Eisenhower's first term from 1953-1957 Social Security had reached such a degree of popular acceptance that a relatively non-controversial program like permanent disability

pensions as an expansion of Social Security was accepted. The American Medical Association fought this legislation as an “entering” wedge for government medicine, but to no avail; funding was through the Social Security payroll tax, keeping it off general revenue, and administration by the states. There was also the possibility of encouraging rehabilitation programs.

In any event, Cohen's dream of universal health insurance was firmly opposed by President Eisenhower. Instead he tried to get Congress and the insurance industry to support the reinsurance concept, but was not supported by either Congress or the insurance industry. The idea was to have the government set up a pooled fund to help the insurance companies, to cover high cost episodes, or catastrophic costs, (the jargon of the industry), which might prove unbearable for individual firms.⁴³ As noted previously, however, the Social Security staff and their supporters continued to seriously consider universal health insurance for the elderly.

The Altmeyer-Cohen correspondence persisted: Cohen continued to be Altmeyer's fact-gatherer which had been one of his important roles while working for Altmeyer. On March 18, 1954 (Altmeyer had by then been out of government for about a year) Altmeyer wrote Cohen a letter of gratitude: “Thanks so much for all the material you and Mitch [Mitchell] have been sending me. I am able to keep me up to date there [Madison] more than when I was in Washington!”⁴⁴

On June 8, 1954 Cohen gave a significant address to Virginia Welfare Administrators at Natural Bridge, VA. The address revealed Cohen's constant attention to the economic and political context in which Social Security was so much a part:

During the past twenty years there have been changes growing out of an experience during depression, and war and inflation. These three ogres of our generation are well known and have had far-reaching effects. But there are three related developments which are less well-appreciated and their far-reaching effects are frequently overlooked. They are the increase in our population, the increase in our productivity, and an increase in our mobility. It may seem strange to us now that twenty

years ago there was a widespread belief that we were headed toward a more or less stable population and a 'mature' economic system. In this pessimistic framework the social security program was initiated.⁴⁵

Cohen was beginning to stress the importance of increased productivity. "We are sharing a larger and larger pie, hence social security pensions should share in this pie." Cohen believed that mobility had obliterated class lines. Rural urban shift had in turn created urban problems.

It was becoming apparent that Cohen was becoming restive in a government position with limited opportunity to influence policy. His Bureau of Research and Statistics job confined him. Cohen's good friend and colleague Fidele Fauri in the government had left to become Dean of the School of Social Work at the University of Michigan. In 1955 Fauri inquired whether Cohen would like to come to the School as Professor of Social Welfare Administration. Cohen recalled he had always had a hankering for academic life; he accepted Fauri's offer..

Altmeyer wrote Cohen immediately on August 10, 1955 telling him he had made a wise decision:

It is a 'natural' which might never have occurred again. From the standpoint of social security it may also be for the best. But for me life has gone out of social security when you leave. I have great faith in the loyal men and women who are administering the program. But you had the imagination, perception, and personality to provide a growing point at the very center which will no longer exist. However, you have given of yourself more than anyone had a right to expect and you leave behind you a record of service and achievement in the vital field of human welfare that is unique.⁴⁶

Cohen was 42 years old when he accepted the offer from the University of Michigan. As we will see when he moved to the Michigan campus he again hit the ground running just as he had in Washington 1934 at the age of 21.

References

1. Much of the background for this period has been drawn from Edward D. Berkowitz, *America's Welfare State from Roosevelt to Reagan*. Baltimore, Johns Hopkins, University Press, 1991. pp. 40-50.
2. Ibid, p. 41
3. WJC Papers Box 1, folder Historical Society 1938, 1939 State of Wisconsin.
4. WJC Papers, Box 3, 1947 January – regular – no day or month.
5. David G. McComb taped and transcribed interview with Cohen at his home in Silver Springs, Maryland, December 8, 1968. (Tape No.1) Transcription is in WJC Papers, State of Wisconsin Historical Library and Lynden Baines Johnson Library, University of Texas, Austin, Texas.
6. Fidele Fauri, Oral History Collection, Columbia University, 1967, p.19. Cited in Martha Derthick, *Policy Making for Social Security*, Washington D.C., Brookings Institution, 1979, p.55.
7. Ibid.
8. WJC Papers, Box 1, Folder 1938-1939, State of Wisconsin Historical Society, Madison, Wisconsin.
9. Edward Berkowitz, unpublished paper at a conference, an informal review of Cohen's political life, p. 17-20. (Privately held)
10. WJC Papers, Box 1, Folder Jan.-Aug. 1940, State of Wisconsin Historical Society, Madison, WI.
11. WJC Papers, Box 2, Folder Sept.-Dec. 1940, State of Wisconsin Historical Society, Madison, WI.
12. Ibid.
13. WJC Papers, Box 2, Folder Sept.-Dec. 1940, Wisconsin State Historical Library, Madison, WI.
14. WJC Papers, Box 2, Folder 1941, Wisconsin State Historical Library, Madison, WI.
15. Ibid.
16. WJC Papers, Box 2, 1940-Sept. 1944, Folder 1942.
17. WJC Papers, Box 2, Folder January-August, 1943.
18. WJC Papers, Box 2, Folder 1944, State Historical Society of Wisconsin.
19. Ibid.
20. WJC Papers, Box 3, Folder June-December, 1947, State of Wisconsin Historical Library, Madison.
21. Altmeyer's letter to President Truman, March 26, 1948. WJC Papers, Box 4, Folder January-April, 1947, State of Wisconsin Historical Society, Madison.
22. WJC Papers, Box 5, Folder October-December, 1949.
23. WJC Papers, Box Folder April-May, 1950.
24. WJC Papers, Box 5, Folder, January-March, 1950, SWHS Madison.
25. WJC Papers, Box 5, Folder April-May, 1950, SWHS Madison.
26. WJC Papers, Box 5, Folder, April-May, 1950.
27. Ibid.
28. WJC Papers, Articles and Speeches 72, Box 249, Folder January-October, 1950.
29. Papers, Box 6, Folder Jan.-Feb., 1951.
30. Papers, Box 6, Folder March-April, 1951.

31. Ibid.
32. WJC Papers, Box 6, Folder January-April 1951.
33. WJC Papers, Box 6, Folder, May-July, 1951.
34. WJC Paper, Box 6, Folder August-Dec., 1951.
35. WJC Papers, Box 5, Folder January-March, 1950.
36. WJC Papers, Box 7, Folder July-Dec. 1952.
37. WJC Papers, Box 6, Folder January-March, 1952.
38. WJC Papers, Box 7, Folder July-December, 1952.
39. See Odin W. Anderson, *The Uneasy Equilibrium: Private and Public Financing of Health Services in the United States*. New Haven, Conn., College and University Press, 1968, p. 138-139.
40. WJC Papers, Altmeyer correspondence Box 47, 1953 -1960.
41. Ibid.
42. Ibid.
43. For more detail see: Odin W. Anderson, *The Uneasy Equilibrium: Private and Public Financing of Health Services in The United States. 1875-1965*, New Haven, Conn., College and University Press, 1968. Chapter XVII Reinsurance-A Buttress to Voluntary Health Insurance, pp. 142-146.
44. WJC Papers, Box 47, 1954.
45. WJC Papers, Box 249, Folder 7, January-November, 1954.
46. WJC Papers, Box 47, Folder 1955-57.

Chapter 5: Return to Academia—University of Michigan, Ann Arbor 1956 – 1960

Cohen and family moved to Ann Arbor early in 1956. He quickly prepared courses in public welfare policy and administration and before long he was also commuting to Grand Rapids to teach a course once a week. He drove his car for six hours for one course, a distance of 130 miles each way. It is of interest, that Cohen's of four-years he had this position in the School of Social Work contained little correspondence about his academic work. Almost all of it was in reference to his Washington contacts. Cohen did, however, leave complete records of his course outlines and examination questions. In a short time, to Cohen's amazement, he was asked by Eisenhower's Secretary of Health Education and Welfare, Marion B. Folsom, New York to be his consultant on public welfare matters. ¹

Not long after his move to Ann Arbor Cohen wrote a jocular letter on academia to W.H. Wandel, Director of Research, Fann Bureau Insurance in Columbus, Ohio. Wandel had invited Cohen to give a paper on social security at the Bureau's annual meeting to be held in December, 1956. [It is apparent that Cohen was in immediate demand as a public speaker. Perhaps Cohen's enhanced freedom to address public policy in his new academic post made him attractive.]

Cohen wrote in part:

Your letter of January 30, in accordance with standard university practice, has now been received for appropriate reply. Each letter sent to a university professor must be carefully considered before a reply can be prepared, and even though the answer is immediately apparent, it is not deemed proper in university circles to send the reply out instantly because this may give the respondent the idea that the university acts quickly in matters of great importance. I have, therefore, on several occasions intended to reply to your letter but restrained myself there from in order to give you the benefit of all the thinking which the faculty of the School of Social Work could bring to bear on the matter. ²

On June 4, 1956 Cohen had a letter from Ken Hechler, Executive Assistant to Adlai Stevenson's campaign committee in Chicago. Stevenson was running against the incumbent

Republican President Dwight D. Eisenhower who was seeking a second term. Hechler was asking for counsel regarding welfare and social security and Cohen suggested some emphasis on the field of aging. Indeed Cohen had started to push for health insurance for the OASI recipients early in the Fifties. He mentioned specifically Senate bill S.4117 by Senators Lister Hill, D. Ala. and John F. Kennedy (D., Mass.) providing for grants-in-aid to stimulate projects and research in the field of aging.

Cohen had assisted in drafting the bill. Cohen hoped that Hechler might follow one suggestion; because Senator Hill wanted to have hearings on all the various proposals on aging pending before the Senate Labor and Public Welfare Committee. Cohen had prepared for Senator Hill a list of persons who might be called to testify “to give a broad background of information on the needs of the aging.” He also suggested that candidate Adlai Stevenson testify before the Committee: “It would certainly be a big drawing card and give him an excellent opportunity to give his point of view of the aging problem of our country.”

Observing the contemporary situation in Congress Cohen believed that Congress would act favorably on disability insurance at age 50, widow’s benefits at age 62, and benefits for “other women at 62 on an actuarially reduced benefit.” Cohen wrote that he had been working closely with Nelson Cruikshank of The AFL-CIO and with Senator George, (D. GA.) He suggested that Adlai Stevenson send a personal message to Senator George who was completing his last term as Senator: “Senator George's speech to the Senate on this amendment is intended to be his swan song and the speech has been written with that idea in mind.”³ Here again, Cohen revealed his sensitivity to politicians and others.

In a letter dated July 27, 1956 Cohen received an enthusiastic letter from Witte in Madison regarding newspaper reports that the Social Security bill “which you championed” had passed the Senate and been approved by the Conference Committee,

It makes it imperative that I write you to offer congratulations. To no one else does the credit for this legislation belong as much as to you. Art Altmeyer has told me you got the final two votes needed in the Senate, after the Junior Senator from this state went back on his word. Bucking the Department [of HEW] and the Administration, as well as the Chairman of the Senate Finance Committee, and ‘licking’ all of them was a great accomplishment indeed.

In all this you have rendered another very great service in behalf of social security: I hope that you have been able to do this without breaking with Secretary Folsom, Administration (Social Security Commission) Schottland and their advisors in the Department [of HEW]. Everybody who believes in the improvement of the Social Security Act will hope, as I do, that you will continue to be committed about future legislation. It is evident that the progressives in both houses of Congress are prepared to follow your lead. You were deprived of your position as the official representative of the Social Security Administration in dealings with Congress [after Altmeyer left in 1953], but because you have the confidence of the people you deal with, you have even greater influence in social security legislation than when you were the official representative. It is clear too that your leaving the government has strengthened your position rather than the reverse.(Emphasis, mine).⁴

Robbin W. Flemming was the President of the University of Michigan when Cohen was appointed Professor of Social Welfare Administration. I had a telephone interview with Flemming on November 26, 1990 and asked him if Cohen's politically controversial activity in Washington caused any flack in the University administration. He said there was really no flack; Cohen was out of power: “Wilbur was a-political and political. He was sought after by both Democrats and Republicans. He was not abrasive, and was sought after by those who did not agree with him.” Flemming’s punchline revealed the academic philosophy of a great university: “If this is what Wilbur wants to do let Wilbur do what he wants to do.”⁵

Cohen’s address before the Northeast Regional Conference of the American Public Welfare Association of Pittsburgh, PA. on September 21, 1956, the same year he came to the University of Michigan is prophetic. He declared there was a need to raise standards of social

security and public assistance benefits across the board, because they were based on Depression standards and, therefore, obsolete. Productivity was increasing and social security standards should reflect it as a matter of equity: “We have the resources if we had the will.” But more significant he enunciated the objective for the first time as far as I have seen records, that we can “abolish poverty in our country in our life time.”⁶ He received a great deal of publicity.

Some intimation of Cohen's activities in Washington was revealed in a letter from Altmeyer to Cohen on Thursday, September 19, 1956. Cohen was working with representative Kean on a recommendation to expand the Social Security Act (not made clear in the letter). He was also working with Democrats in the Congress on a recommendation which was more extensive than the one to Kean. Altmeyer asked (it seems, jokingly): “You will have to continue to be the honest broker reconciling your two sets of recommendations! What kind of business is that, I ask you?”⁷

In the same letter Altmeyer confided that he wished Cohen had “two or three years university teaching under his belt in order to replace Witte who was retiring from the Department of Economics at the University of Wisconsin-Madison in 1957. Altmeyer went on: “They are hipped here on degrees so while everybody in the Economic Department says you are the logical successor they don’t want to pressure the President and the Board of Regents and the Faculty in general.” There is no record if Cohen answered. It is certain, however, that no offer was made. According to Robert Lampman, who in effect succeeded Witte, social insurance and public assistance no longer had an appeal to students of economics. He told me that when Altmeyer retired to Madison after leaving Washington in 1953, he and Altmeyer tried to start a seminar in social insurance but no students enrolled!⁸ Economists turned to econometrics and model

building. Students in social work became the ones who carried on academic interest in social insurance and welfare.

Although Cohen was apparently not seriously considered to succeed Witte, he was invited to give a major address at the Symposium on Labor and Government in Madison on March 28, 1957, in honor of Witte and his impending retirement. This address is among Cohen's best reviews of the past and future of social security, both technically and philosophically. He said he enjoys "crystal ball gazing" but "I recognized that there are those who believe that a complete blueprint of the future in social legislation more likely can lead into the wilderness than into the promised land. Nevertheless, in social legislation the legislative enterprise (emphasis mine because of the wording) must take risks in the legislative market place, as does the economic risk taker in the economic market." He gave as an example that the Eisenhower administration has accepted this principle of social security, something new among Republicans. He inferred that social security was over the hump as a principle:

It is no longer thought of as a poor man's program. Ninety percent of the labor force is covered. There are now differences in specific problems and issues. Total disability insurance was adopted in 1956. The retirement age for women has been lowered from 65 to 62. The face value of social security life insurance of \$425 billion equals all of private life insurance in force. Society is more pluralistic [i.e., interrelationships of private and public sectors] in 1957 than 1935. John R. Commons taught me as a young student that lawmakers proceed from facts and firsthand information and individual cases, and not from generally accepted postulates of what is feasible or desirable in the abstract ..

Cohen had learned to recognize and work with this realistic observation. Cohen continued:

In our incentive economy 'equity' is an important factor to be considered as well as 'adequacy' in determining the level and character of social insurance benefits. The great task of statesmanship is how to achieve a reasonable balance in each program between equity and adequacy which will be satisfactory to contributors, beneficiaries and the community.

Cohen visualized and worked for a sophisticated political process of balance. The Social Security Act was a balancing of equity and adequacy. Private insurance companies thought only of absolute financial equity in reserve funds to meet obligations. Cohen thought of adequacy to balance equity through the government's taxing power expressed by social solidarity, a very difficult concept for Americans to understand and apply. Cohen believed fervently in progress kindled by his Experimental College exposure to Greek civilization, man as reasoning, and to the Renaissance which believed progress was possible.⁹ Cohen believed that expenditures for Social Security beneficiaries should not fall behind the growth of GNP. All people, not only the working population should share in the increased productivity.

As a professor of social work and social welfare administration he was naturally interested in research on social and administration problems in those areas. He had demonstrated this interest during his entire career. In an exchange with Harry Alpert, a sociologist, then the head of the unit in social science in the National Science Foundation, a government funded research granting agency, Cohen ran afoul of the difference between "applied" and "basic" research. Cohen had written to Alpert asking about possibilities for research grants in social work. After Alpert responded to Cohen on November 9, 1956 Cohen in turn wrote: "...I would like to ask you to expand on what you consider 'basic' research in the social security area as contrasted with 'applied' research and give me some illustrations." Cohen said that Alpert was saying in his letter that the National Science Foundation supports basic research rather than the type of research done in housing, social security, public health, and agriculture.¹⁰ Nothing more appeared in the archives, but this interchange gives some indication of the conceptual dichotomy in the social sciences experienced by Cohen and others in applied fields.

In a reflective letter to Jules Bennis, Chief, Division of Programs Standards and Development, HEW, on December 30, 1957 Cohen observed that during the years 1935-1952 leadership relative to Social Security came from the Social Security Administration. However, after 1954 [Eisenhower administration] the Department of Health, Education, and Welfare has not taken leadership. Hence leadership would have to go outside to others such as the AFL-CIO and related interest groups.

Cohen noted that liberals were accused by conservatives of throwing money at “all social problems.” He had reflected further on the problem of ADC (Aid to Dependent Children) which was an income maintenance program as follows: “One further point. When you consider ADC which is a major part of the PA (Public Assistance) program - I tend to think from what I am discovering in Michigan, that money is not the entire solution to many of the cases receiving assistance. In fact, continued payment of assistance may only serve to perpetuate the problem.”¹¹ Cohen referred to the advisability of providing job training, medical care, rehabilitation and case work services to get ADC recipients to become self-sufficient. Cohen was apparently concerned with the potential creation of a permanent poverty class.

Moving into 1958, Cohen had a letter on January 15th from Henry A. Kissinger, then Director of Special Studies, Rockefeller Brothers Fund. Kissinger was inviting Cohen to participate in a program sponsored by the Fund with a position paper among other such papers on health and welfare problem areas. The request was implicitly a compliment to Cohen's style of conceptualizing problems and their solution. Kissinger wrote:

The project grew out of our belief that many of our difficulties, both domestic and foreign, are due not so much to an absence of good ideas, but to our inability to find concepts and attitudes to deal with a situation changing more rapidly and in directions different from what our national experience has led us to expect. This problem seems to us compounded by the fact that most of the leadership groups throughout our society are taught to administer rather than conceptualize, specialize rather than think in general

terms. As a result, problems are often conceived in terms which tend to emphasize the peculiarities of each situation which inhibit an understanding of the relationship between the political, economic, psychological and military components of policy.

Cohen, of course, clearly agreed with this statement. Rather reluctantly, however, he wired back: "Comprehensive character of your request would not make it possible to do a competent job within the time and funds indicated."¹²

On January 17, 1958 Cohen had a letter from representative Wilbur D. Mills, (D. Ark.) Cohen had written a congratulatory letter on Mills becoming the new chairman of the powerful House Ways and Means Committee and included a number of suggestions.

Cohen had written: "As you can imagine, I have some ideas on social security for 1958 which I hope you might consider." The developments that seemed likely to Cohen were: 1. The administration will propose a reduction in public assistance for the long run. 2. The administration will not sponsor any benefit improvements in OASDI. As Cohen saw it: this will leave a vacuum which the Democrats can step into if you want to do so. The most important point is that there are a number of important changes in the OASDI which can be made without increasing the tax rate (payroll deductions)! Cohen listed raising the minimum wage base which could result in a number of benefit improvements. They were widows' benefits, child benefits, rehabilitation services, and increased benefits to persons who had been contributing a long time.

Mills accepted his congratulations with the aside "I did not want the job under the circumstances, as you can well understand" - presumably a reference to the Eisenhower administration. Mills continued, accepting Cohen's suggestions warmly, "I always appreciate receiving your suggestions and you may always be assured that any thoughts you advance to me will be most cordially received and most carefully considered."¹³ Little did these men realize how they would be working hand in glove in the Johnson administration a few years later.

Letters to Cohen came in constantly and just as constantly letters from Cohen went out, either initiated by him or as answers to letters he received. On February 24, 1959 Cohen had a letter from Rufus E. Miles, Jr., Director of Administration of the Department of Health Education and Welfare. Miles was serving as chairman of a panel at the annual national meeting of the American Society for Public Administration to be held in Washington, D.C. on April 2. The panel subject was: "Program Leadership -Is it Compatible with Administrative Survival?" The subtitle was: "How Can Governmental Executives Affect Their Program Without Destroying Their Position or Usefulness?" This is an interesting question as to the role of the civil servant. As will be recalled the Eisenhower administration had dismissed a few people in the Social Security Board. Miles wrote: I think you would be an unusually good participant in such a panel. You have the perspective which comes from long association with a developing program in which program leadership was of utmost importance, and you have the opportunity for objectivity and freedom of speech which goes with your present attachment to academic life. This combination is not an easy one to obtain."¹⁴ Unfortunately Cohen had to decline because of conflicts.

Early in 1959 among all of his activities he had to consider seriously an offer from the School of Social Work, University of Wisconsin, Madison, to be its Dean. He visited the Wisconsin campus to discuss the offer with the President of the University and others. He described his experience in a letter to Wayne Vasey, Dean of the Graduate School of Social Work, Rutgers - The State University, New Brunswick, New Jersey of May 14, 1959. It will be recalled that Cohen had left Madison for Washington in 1934 with a Ph.B. degree, a lapse of twenty-five years. Cohen wrote:

From my own personal point of view, I was very much interested in the offer because, as a University of Wisconsin graduate, I have a very good regard for the

institution and its heritage, the State and its place in social reform, social legislation and the people who make it great. I would have made some personal sacrifices to return to Madison.

However, I found that while Wisconsin had had a wonderful past, I could not honestly see whether it would have a great future. I like Mr. Fred Harrington [President of the University] and also I like Wilbur Schmidt, Director of the Wisconsin Department of Welfare, both of whom offered me their full cooperation. But I didn't feel the President or the Dean of Letters and Science would understand the needs of social work. Someone who wished to do a real educational job on these gentlemen would find it an interesting task. I just didn't feel it was what I wanted to do for the next five years."

Cohen went on to write that the salary and responsibility of the Dean were left vague, as well as the research money. He continued: "Despite the fact that Governor Nelson is a liberal Democrat, I haven't seen any concrete signs that he will take vigorous leadership in the field of social legislation and social reforms. And I am even less optimistic about the Wisconsin legislature."

The devastating observation was: "The great heritage of social reform in Wisconsin seems dead and the State lives in the past. They need new blood and new ideas. Hence, there are real possibilities for social work and social legislation in Wisconsin. But one man cannot do it by himself. He needs support up and down the line. The right person might be able to make a very great contribution to social work and to reestablishing Wisconsin as an influential source of social progress."¹⁵

Cohen's conclusion was that Michigan had more promise for his continuing mission. Cohen had established an operating base between Washington and Ann Arbor as a free-wheeling professor without the administrative duties of a dean and supported by the University of Michigan administration.

Later in May 1959 Cohen wrote a prominent executive of the Blue Cross plans, William S. McNary of the Michigan [Blue Cross] hospital plan which covered the giant auto industry in the Detroit area: "I am concerned, as I know you are, about the inroads which commercial

(profit) insurance is making in the field [of hospital insurance]. I still think that for the long-run, Blue Cross would be wise if it endorsed the principle of the Forand bill and thus the cost of hospital care for the aged would be community-rated for the nation as a whole.”¹⁶ Cohen was likely visualizing the Blue Cross plans to be the administrators (not the underwriters) for hospital insurance for the elderly, paid, from mandatory payroll deductions by the federal government. Cohen was always sending out “feelers.”

Cohen was in frequent contact with Nelson H. Cruikshank, Director of Social Security, AFL-CIO. The problem of medical care for the elderly through Social Security was beginning to bubble up in the Forand (Rep. D-RI) bill. Forand had agreed to introduce such a bill at the right time politically. Cohen had a letter from Cruikshank on this matter on June 23, 1959 revealing activities behind the scene: “Continuing in confidential vein for the moment, Mills also informed me he would support Forand’s request for hearings ‘sometime in July’. He said they could not be conclusive hearings, but he was willing to help Forand keep the issue alive.” Mills was known not to support a bill fully until he felt that there would be a majority in the Congress who would vote for it.

In a letter to Harold E. Simmons, Superintendent, Social Service Division, Department of Public Health and Welfare, San Mateo, CA, on September 8, 1959 Cohen showed his tactical reason for abandoning the Wagner-Murray-Dingell comprehensive national health insurance bill for a multiple, or pluralistic approach.¹⁷ Cohen supported the Forand bill for this but also to stimulate the growth of group practice plans to restructure what he felt was a fragmented health services delivery system.

Many liberals were fearful that the Eisenhower administration would embark on retrenchment of the social services. As an example of letters to Cohen, on November 5, 1959 he

received one from Mrs. Eugene (Agnes) Meyer, publisher of the Washington Post, a prominent liberal newspaper: “I feel we are, philosophically and politically speaking, on a continental divide. If the present atmosphere of fear, reaction, and budget balancing as our highest ideal continues, the criticisms which have already begun of public welfare and of the whole Social Security System will grow like an avalanche. Psychic disease is even more catching today than physical disease. We cannot stem this tide without a great deal of work and some clear thinking and persuasive presentation from more liberal ideas.”¹⁸

The year 1960 was an election year and Eisenhower was completing his second term and hence not running for president. Medical care for the elderly was bubbling starting with the Forand bill in 1959. Charles I. Schottland, Dean of the Florence Heller Graduate School, Brandeis University received a letter from Cohen regarding strategy for the bill. Schottland had suggested that at “the appropriate time” there be sent a round-robin letter to members of the Congress on the Forand bill. Cohen agreed: “However, I am optimistic about the possibilities of legislation in the health care area, but I am deeply concerned whether it will embody a sound (emphasis, Cohen) administrative pattern. I would rather see a limited scope of services which would be publicly administered than a broader scope of services which would involve ‘contracting out’ to private agencies. In my opinion the principles of social insurance get thoroughly confused if you ‘contract out.’”¹⁹ There is an interesting vacillation here in using intermediaries to administer the proposed legislation, which at that time was limited to hospital services. Later, Cohen changed his mind.

The medical care problems of the aged were increasingly becoming a bipartisan political issue. An indication was that at the end of the Eisenhower administration, in fact only a few weeks before Eisenhower would step out of office at the end of his second term, his

administration in 1960 called for a White House Conference on Aging in Washington on January 9-12, 1961. Cohen was invited to this conference.

In December 1960 Cohen wrote to The White House that he was not sure he would attend because he felt that organized medicine, in conjunction with private insurance and business interests, had captured a disproportionate share of delegates to the Conference:

They are engaged in a process of vilification and intimidation of anyone who does not agree with their position on financing medical care for the aged. I am shocked at the methods they are using in State after State to thwart the will of the majority of the people on this issue. Since I am supporting President-Elect Kennedy's recommendations for medical care for the aged through Social Security, I believe the issue now is a matter of policy for the Congress to decide.²⁰

Cohen was an advisor to the Democratic party and President-Elect Kennedy. I do not know if Cohen attended the Conference. In any case the President-Elect shortly after asked Cohen to be Assistant Secretary for Legislation in HEW in his administration to take office in January.

It is not clear whether Cohen agonized long over this invitation to get into a key policy influencing position in the new administration “to get the country moving again,” but his long-time friend and colleague Robert Ball, then Commissioner of Social Insurance, wrote Cohen a long letter on January 3, 1961, worth quoting at length, imploring him to accept the appointment:

I am sure that there must be many factors that I know little about that will enter into your decision on whether or not to return to the Government. I thought, however, I would put down, for whatever use it may be, how it seems to me the various factors stack up from a strictly program point of view.

In a nutshell, I think you are very much needed to handle the social security legislative program from inside the Executive Branch of the Government. I don't think that anyone else can do at all what you can do.

What the job takes is a person who can keep a large measure of control over all the diversified forces involved - The President's own office, the Secretary [of HEW], the Bureau of the Budget, the Public Health Service, the Actuary, the General Counsel's Office, Ida's office, [Ida Merriam], the Bureau of Research and Statistics, the AFL [American Federation of Labor], the APWA [American Public Welfare Association] the American Hospital Association, various other national organizations, and then of course

the committees and a large number of interested Congressmen and their staffs. No one from outside the Government, moving in and out of the Washington scene, can hope to exercise the kind of control that would be needed. Indeed, he would be one of the elements, no matter how constructive and helpful, that someone else would need to try to control and bring in harmony with the others. The person who is to do the job must be able to speak with the authority of one in whom the President and the Secretary have confidence, and to whom they have given the job of getting the bill through. He needs also to have the personal authority which comes from great knowledge of the field. He must know the legislative process and must be able to relate the outside groups to it and must have a fine sense of tactics. He must have the stature, background, and ability to influence the Secretary [HEW] and the President - at the moments when the issues have to be decided - so as to protect them from unwise compromises, to help them see what are the important issues and what can be compromised, and to develop adjustments and modifications that will be sound and at the same time make is (sic) to get agreement and action. You are the only one who meets these qualifications. In your absence I believe it could be quite a mess..

Ball clearly described the American political process of which both he and Cohen were masters.

At the end of the letter Ball threw in a bait: "In addition to everything else, Wilbur, I don't think you should miss the fun and excitement of being in charge of the next forward step in social security and of being an official part of this new forward-looking Administration."²¹

Cohen accepted readily enough, but even during that tumultuous interlude he revealed a side of his personality seldom seen. He got angry at an attack on him by a member of the Michigan State Medical Society. He was on good terms with Dr. Otto Engelke, Director of the Washington County Health Department, the county in which Ann Arbor was located. He sought Engelke's counsel in a letter to him of January 7, 1961:

Recently Dr. Harry B. Zemmer made an inaccurate and misleading attack on me. His statement was published in the Ann Arbor News of December 15 [1960]. I was incensed at his attack which I consider unethical and unprofessional on his part. I feel very strongly that Dr. Zemmer's charges were designed deliberately to adversely affect my integrity. I am really angry about this. I enclose a copy of my letter to Mr. Brophy and hope that you will consider it very carefully. I do not intend to allow members of the medical profession to attack me from now on without responding to it. Your views on this troublesome matter will be personally appreciated.²²

I would assume that the attack was the usual one of socialism - communism, control of the medical profession, and so on. Probably Brophy was an editor or some such position on the Ann Arbor News staff. There was no response deposited in the archives from either Engelke or Brophy. Cohen's statement "from now on" in all likelihood was after he had decided to accept President Kennedy's offer of Assistant Secretary for Legislation, an obviously politically sensitive post.

Another incident was an apparent backwash from the McCarthy communist hunt during the Eisenhower administration in the mid-fifties. He responded to Marjorie Shearon who listed him among alleged communists in and out of government. Shearon had been a government employee in the Social Security Board and later on the staff of Senator Taft, Republican of Ohio as apparently a legislative analyst. By 1960 she was out of government and had established her own newsletter called Shearon Legislative Service: Resist Unwarranted Interference by Government, located in Chevy Chase, MD. It was a dedicated, from her viewpoint, shoestring operation.

Cohen wrote Shearon a fierce letter, a kind of letter he never wrote unless his integrity was questioned, which in this instance it clearly was. He wrote that she can disagree with him about health insurance, but "not to drag in communism" in order to discredit him. He had been given clearance by both the Truman and Eisenhower administrations when he had a civil service position in their administrations: "If you do believe in the American principle of fair play, why not let the record rest on issues and not on implications and 'guilt by association'. I ask you in the name of truth and justice to stop these false and unfair accusations."²³ In any case, the Shearon attack did not seem to jeopardize his mission.

Cohen was always alert to prominent newspapers publishing information and viewpoints. The New York Times was a favorite paper. Howard Rusk, M.D. a medical policy columnist had written a column on the Forand Bill in the Times, March 27, 1960 which Cohen, in a letter to him, regarded as “unbalanced,” i.e., not supportive enough on April 8, 1960. Rusk’s major mission was to promote rehabilitation. Cohen wrote: “I am really saying in my letter that some of us who are studying the big controversial issues in medical economics [medical care of the elderly] are deeply concerned with the preoccupation of the New York Times with the ‘safe’ issue of rehabilitation with all its sex appeal. Knowing the great influence of the New York Times we probably expect more of it. For instance, up to this time I have not seen any editorial even discussing the basic issues involved.”²⁴ In any event Rusk wrote a column supporting medical insurance for the aged some time later.

Cohen wrote to friend and colleague Professor Eveline Burns, Columbia University: “Have you noticed, to date, The New York Times hasn’t had an editorial on the Forand or the Javits Bill? (By this time there was a Republican bill sponsored by Senator Javits) (N. Y.) in addition to the Democratic Bill by Representative Forand, (R.I.) Cohen asked of Burns: “I have written to Howard Rusk in a critical sort of way trying to push them to take some affirmative action. I hope that you or some of your colleagues would write them urging them to support use of the social security mechanism. [rather than general revenue and public assistance]. Cohen was optimistic: “I am keeping in touch with Washington on legislative developments. I think the support for action is tremendous and very significant. It is remarkable and all the more notable that it comes on the 25th anniversary year.”²⁵ [of the enactment of the Social Security Act in 1935] Cohen was ever the historian and remembered anniversaries.

Cohen was feeling his visibility and prominence when he wrote Richard H. Hohaus, an insurance company executive and advisor to the Social Security Board: “I honestly believe that people like you, Marion Folsom, and myself, who believe in orderly evolutionary progress are damned by the extremists from both sides.”²⁶

In the midst of this important correspondence respecting policy and publicity there appeared a memorandum to Dean Fauri from Miss Gloroski. She was monitoring office expenses in the School of Social Work, University of Michigan, and notified the Dean that Cohen had run up a “big bill” for telephone calls. The Dean, however, explained to her that Cohen was organizing a social security conference.²⁷

In the middle of 1960 Cohen made some observations to Rudolph T. Danstedt, National Association of Social Workers regarding their policy statements. Cohen had submitted these statements to fifty of his students in his Social Services Seminar for review and comment. Cohen reported that the most frequent comment from the students was that the statements were usually “too general.” They wanted more “meat on the bones.” Cohen wrote:

I think this reflects the fact that so many young people today are not very well versed in either the facts or the policies (emphasis, Cohen) of existing social welfare institutions. Perhaps this suggests some elaboration of the ‘problem’ section under each heading.” “... most students today are bothered by Federal legislation which seems to them to imply lack of social responsibility and individual (emphasis, Cohen) responsibility. They repeat statements from the newspapers and their parents about ‘Washington being a long way from home’ and the need for local and state decisions. It is only when one begins to discuss industrialization, suburbanization mobility and the inequality of State and local fiscal resources that they begin to see the reason for the Federal legislation we are proposing.”²⁸

Cohen thought the policy statement should state the overall philosophy of NASW. Cohen from early on thought in national terms in order to equalize benefits, both public assistance and social security as much as possible.

Perhaps it is fitting to end this chapter before we find Cohen in Washington under the Kennedy Administration by drawing on an article he wrote for Public Welfare entitled “Social Security 25 Years Hence.” He predicted the status of social security in 1985! The mid -1960’s was still in a post-World War II economic upswing. Cohen undoubtedly was thinking in terms of expanding social security riding on an expanding economy. He exuded optimism:

1. We will have achieved the goal that no aged retired person, any sick or disabled person, or a family where the breadwinner has died or is unemployed, will be in want, irrespective of residence, age or any other condition.
2. Medical services will be available to all persons without regard to their financial ability to pay for them at the time they need the services. There will be a higher quality of medical care than today. By 1985, the American Medical Association will have dropped its opposition to changes in the method of financing and organizing medical care which it opposes to day. The AMA will be perusing the then existing arrangements as part and parcel of the American way of life and the tried and tested results of experience and sound judgment of the statement in the Congress who had vision and foresight.
3. The need for recourse to public assistance on a needs test basis will be reduced to an absolute minimum.
4. All programs will have built into them a service philosophy which emphasizes the maintenance and preservation of family life and social rehabilitation. Sick and disabled persons will have available to them at an early stage all the rehabilitation services needed.
5. These community services will be staffed with competent personnel dedicated to developing the capacities and creativeness of the individual to the maximum extent.
6. The concept of adequacy in the benefit structure of the various programs will not be based on minimal standards such as implied by a ‘basic floor of protection’ as at present but will emphasize a standard of health and decency closer to the standard of the productive population.
7. At the same time, I believe private insurance, home ownership, and other forms of savings will have increased dramatically. There will be new forms of private insurance and ways to save. There will be increased incentive, and encouragement for self-development imagination, productive achievement, and creative enterprise²⁹

Cohen was still alive in 1985 and retired to Austin, Texas. What would his predictions have been then? Most of the foregoing predictions had not come about although they were

approximated. * In a final chapter I will later try to describe the status of the welfare state in the United States in relation to Cohen's objectives.

* In this connection it might be of interest to cite an exchange between Republican Jim McDermott (HR), in the Eighties and Cohen as reported by Michael Wines, "At the Capitol, Selling Health Plans Like Snake Oil" New York Times, October 28, 1993, p. A-10. Cohen was urging McDermott to educate himself on the politics of runaway health costs at a time when no one cared. "Go for it kid," Mr. McDermott remembered Mr. Cohen saying, "In '88 the parties will run a couple of jerks on health care, and they won't do anything. By the time they run for President in '92, it'll be a major domestic political issue" ... "It'll pass on the last day in August, that they're in session. Just before they go home to campaign for re-election." (Cohen died in 1987)

References

1. WJC Papers, Letter to Selig Perlman, May 8, 1956, Box 65, Folder P, 1956-61.
2. WJC Papers, Box 68, Folder W, 1956-61.
3. WJC Papers, Box 62, Folder H, 1956-1961
4. WJC Papers, Box Q-Z 1956-61, Folder E.E. Witte, 1956-60.
5. Personal of Odin W. Anderson. Written down immediately after telephone conversation.
6. WJC Papers No. 175, Box 250, Folder 4, September 1956 - April 1957.
7. WJC Papers, Altmeyer Correspondence, Box 47, Folder 1955-1957.
8. Personal communications.
9. WJC Papers, Box 250, Folder 4, September 1956 -April 1957
10. WJC Papers, Box A-G, Folder A, 1956-1961.
11. WJC Papers, Box A-G, Folder B, 1956-61.
12. WJC Papers, Box H-P, Folder K, 1956-1961.
13. WJC Papers Box H-P, 1956-1961, Folder O, 1960.
14. WJC Papers Box H-P, Folder M, 1956-61.
15. WJC Papers Box Q-Z 1956-61, Folder V-1960.
16. WJC Papers Box H-P, Folder Mc 1956-60
17. WJC Papers Box A-G, Folder E, 1956-61.
18. WJC Papers Box H-P, 1956-61, Folder M.
19. Ibid.
20. WJC Papers, Box A-G, Folder E, 1956-1961.
21. WJC Papers, Box A-C, Folder B 1956-61.
22. Ibid.
23. WJC Papers, Box A-G, 1956-1961, Folder E.
24. WJC Papers Box Q-Z, 1956-61, Folder R-1960.
25. WJC Papers Box A-G, 1956-1961, Folder B.
26. WJC Papers Box H-P, 1956-61, Folder H -1960.
27. WJC Papers, Box A-G, 1956-1961 Folder F.
28. WJC Papers Box A-G, 1956-1961, Folder D.
29. Wilbur J. Cohen, "Social Security 25 Years Hence," Public Welfare July-Nov. 1960.

Chapter 6: Return To Washington 1961 – 1963; The Kennedy Administration

On January 16, 1961 Cohen wrote to his Dean, Fedele Fauri of the School of Social Work, University of Michigan:

President-elect Kennedy has nominated me for the position of Asst. Secretary of HEW [for legislation]. Consequently, I wish to request leave of absence for the second semester [1960 – 1961]. I anticipate I will be assuming my new duties in Washington for the first part of February [1961].” Further: “I wish to take this opportunity to thank you and the officers and faculty members of the University with whom I have been connected for the friendly and cooperative association I have enjoyed here during the past five years. While it is always difficult to know what the future will bring, as of this time, I look forward to returning to The University upon completion of my Washington duties.¹

Cohen’s leave was granted, but periodically he requested extension of his leave until he left the government in 1969 when the then President Johnson decided not to run again. Cohen was correct in his statement: “While it is always difficult to know what the future will bring...”. President Kennedy was assassinated on November 22, 1963 ushering in a volatile period of social legislation under President Johnson.

Instead of being in Washington in the first part of February, Cohen was there at least by January 24. He wrote Dean Fauri from Washington on that date: “The first day [on the new job] was a strenuous one! How I longed for the more leisurely pace of Ann Arbor.”

“I expect you to send me good advice from time to time. Even if it isn’t much good advice, be sure to let me hear from you.”²

Cohen’s new job, of course, continued to be strenuous but heady. On February 28 he wrote three colleagues in London, England who were prominent in welfare state activities: “Due to the tremendous pressure of your work, I am taking the liberty of utilizing one letter to reply to each of you. President Kennedy has expected each of us to work 15 to 18 hours a day to get the New Frontier moving again.”

“I have had the responsibility of drafting initially the President’s message relating to changes in social security, aid to dependent children, health, education and water pollution. (*emphasis mine*) I have never worked so hard in all my life and with such speed or such important areas of policy. It has been most interesting. There is a spirit of such exhilaration in the air and enthusiasm. We are moving again.”³ Cohen was now clearly in a policy influencing position. He had been nominated but not yet approved by the Senate. Nomination hearings were scheduled for March; he would face fireworks as never before.

Despite his harried schedule he took time to write to Robert P. Hohf, M.D. of Evansville, IL, who had invited him to give a talk on “state medicine” in Evansville on February 15, 1961. Cohen wrote tersely: “Since I am vigorously opposed to State Medicine, I obviously cannot accept your invitation.”⁴ Was Cohen being facetious? His concept of state medicine was one in which all physicians were on salary, all hospitals owned by the government as so on.

Cohen’s baptism of fire on his nomination was soon in coming on March 23. He faced this type of hearing for the first time in his professional life, after a long experience in the government, because he had not before been nominated as a political appointee and for a policy position in any administration. The Senate Committee on Finance was conducting the hearing. Senator Robert S. Kerr [D. Oklahoma] led off by simply stating that he had no questions, instead made a statement in support of Cohen’s nomination:

I have known Cohen for many years and have had the opportunity of working with him, and I would say, quite frankly, that there is far from complete agreement between myself and Mr. Cohen on the philosophical viewpoints and convictions with reference to certain programs and principles of government. But I have found him to be very able, very conscientious, very

trustworthy, and very reliable. I unhesitatingly recommend him for favorable consideration by the Committee.⁵

Senator Carl T. Curtis [R. Nebraska] was hardly as gracious and supportive. He went after Cohen with hammer and tong regarding Cohen's social and political philosophy, the structure and future of Social Security Pensions, the means test, and was social security really insurance, and so on. Curtis repeatedly quoted Cohen as having said: "Eleven million children are saddled with inherited poverty. How would these be affected by OASDI, how would 9,000 families be affected by payroll tax. Not better to let them save?"

Senator Curtis was worried that a \$9,000 family would spend for its social security half of its Federal income tax. Cohen answers:

Well, Senator, I think that when you balance all of the various considerations, of which there are many, in terms of, on the one hand, attempting in our free enterprise, democratic society, providing income to people to meet the major hazards of life and still trying to retain a free enterprise, Democratic society, then identifying the costs through a social security program that makes people conscious of cost, as a social security does, is a conservative and intelligent way of doing business. In other words the point that you are making, and that is why I answered it, is not that that results in something which I think is bad, but identifies to the individual that if they want this social protection they have to pay the cost. I think this is one of the advantages of a social security program.⁶

On April 27 Cohen, repeating his testimony in March, wrote a long critique of a speech made by Ray Peterson, an insurance executive, attacking the principles of insurance which Social Security pensions were violating, one of many similar attacks from private insurance theorists. Cohen's attack did not appear publicly until the September 1961 issue of the Journal of Insurance, but I make reference to it because Cohen was already, after a month or so in his new position, a target. Peterson's position was that social insurance is not insurance because there is no legal contract, no full reserves behind commitments and competes unfairly with private insurance.

Cohen maintained that Peterson's attack on social security misleads the public. Peterson's view is, of course, easier to understand by the American public which is accustomed to buy insurance of various kinds in a contract relationship. Cohen had to explain a dynamic philosophy in a political context of the concept of a "social contract" in a democracy. Cohen wrote that a social contract has an advantage, in that there can be more flexibility in the relation to changes in the economy, particularly an expanding one, than in a private insurance contract which guarantees a fixed financial benefit without regard to inflation or an expanding economy. In such an economy, social security recipients covered by a social contract can share in the resulting surplus. Further, there are checks and balances within the democratic political process that can be responsive to external economic changes, and finally the Social Security pension of financial obligations are under constant surveillance.⁷ The concept of a "social contract" was something new for the American public, requiring a great deal of trust.

In answer to whether social security pensions were insurance or not, as conceived by private insurance companies, Cohen was continually haunted by this criticism of social security pensions: "I do not think the definition of insurance involves the exact relationship between what an individual has contributed and what he gets out. It involves a relationship between the total paid in and the total paid out. That is what I consider the correct definition of insurance and is what entitles this system to be called insurance, and why Congress did call the tax provisions, The Federal Insurance Contribution Act."⁸

Continuing, Cohen showed his optimism that the economy would keep on expanding: "...I would be perfectly willing to stake myself out, in the kind of free enterprise and dynamic economy we have, [in 1961] that this trend [an increase at the rate of 2 percent a year] will

continue to happen as a minimum in the future. That is why, in relation to these prognostications I made, I feel all of those costs are on the conservative side.”⁹

Senator Curtis queried Cohen about his early support of WMD [Wagner-Murray-Dingell bill]. Cohen answered, showing he could change his mind given improvements in voluntary health insurance. He observed that he now felt voluntary or private health insurance had done a more satisfactory job [at that time around 126 million people were covered or 70 percent of the population] so: “...on the basis of that concrete evidence, I am no longer supporting a bill like the Wagner-Murray-Dingell bill.”¹⁰ Cohen must have had medical care for the elderly only in mind.

Senator Paul Douglas [D. Illinois] had no questions but made a statement that has become legendary: “Mr. Cohen is well known as probably the greatest expert on social security we have. Someone once said that an expert [on social security] is a person who knows Wilbur Cohen’s telephone number.”¹¹

Marjorie Shearon resurfaced at the hearings on behalf of the Ohio Coalition of Patriotic Societies of Ohio. She testified against all social insurance as leading to socialism and communism. All supporters were communist conspirators including Wagner-Murray-Dingell. Her list was so all embracing that the Senators joked with her to make sure she was including them as well.¹² She had by this time discredited herself. The appointment of Cohen as Assistant Secretary for Legislation was approved.

Now Cohen was official and fair game for political crossfire.

Interestingly, the first criticism of Cohen was from the liberal side on a matter of emphasis on medical care legislation. Lester Breslow, Chief, Bureau of Chronic Disease, Director of Preventive Medical Services California State Department of Public Welfare, had sent

Cohen the minutes of the Committee on Medical Care Administration (of the American Public Health Association) which was critical of Cohen and the Secretary of HEW. Cohen wrote to Breslow on April 16, 1961: "I was particularly ticked off by the minutes on page 5 which indicated that the Secretary, and especially me, seem more concerned with obtaining support for medical care proposals than in the qualitative improvement of the bill [for the elderly]. I can see now that from the standpoint of your Committee, I am going to be put in the position of being against the improvement and quality of medical care and I might as well get out now without compromising you or myself." Cohen resigned from the Committee.

Cohen wrote I. S. Falk, now at Yale University, the same day, "I enclose a copy of a letter that I have written to Les Breslow. I have gotten somewhat annoyed that the professional health people, particularly those in state health departments, who are always pushing me on the quality of medical care, don't do anything to really change the climate of opinion among the Congressmen and Senators [regarding health insurance for the elderly]."¹³

By May 1961, it became apparent to Cohen that he needed to extend his leave of absence from the University of Michigan. On May 2 he wrote Dean Fauri: "I do not in all honesty know what the situation will be during the next month or so, but I feel a responsibility to write to you so that you can act in whatever way will carry out your best responsibilities at the School of Social Work."

"I have never worked so hard in all my life as I have in my present job. I have never had as many difficult decisions and frustrations to face. I do not look forward to continuing in this situation. However, I see no way out of the matter at the present time since I cannot in good grace and in good conscience walk out from my present responsibilities."¹⁴ The leave was extended for the next academic year.

Cohen wrote letters to friends and colleagues during the same month on how hard he was working as never before like the one to Mrs. Ralph Gerard, a close friend in Ann Arbor: “I certainly was glad to get best wishes from you and Ralph – I really need them. This is the hardest, most frustrating, complex job I have ever had in my life. I don’t know whether I can do it but I am trying. I would really like best to be back in AA [Ann Arbor] but that doesn’t seem to be possible.”¹⁵ To Jane Hoey in New York City on the same day Cohen wrote: “This is the toughest job I ever had – I haven’t given up yet!”¹⁶

A few days later on June 2, 1961 he was deep in action on policy in a letter to Representative Burr P. Harrison, on the administration’s proposal to extend social security benefits to hospital insurance:

As you point out [letter May 8] under the administration’s proposal many of the retired social security beneficiaries would receive health insurance benefits although they will not have made any additional contributions to finance the benefits. I have thought of this provision as being similar to the familiar one of providing benefit increases to those persons already on the rolls. Rather than considering health insurance as a new program, I believe that it should be looked upon as filling a gap in the floor of protection provided by monthly cash benefits [pensions].¹⁷

This shows Cohen’s agility in adding something to something already there, an incremental approach.

In the middle of June, Cohen addressed a conference in Washington sponsored by the Industrial Union Department of the AFL-CIO. He was defending the concept of reasonable cost to hospitals as embodied in the administration’s proposal of hospital insurance for the elderly. Cohen pointed out that the principle of payment on the basis of reasonable cost is not new or revolutionary. It has been long supported by the American Hospital Association and Blue Cross. There is no basis for asserting that the proposed health insurance program [hospital insurance for the elderly], which would be carried out in virtually the same manner as Blue Cross plans, would

interfere with or control hospital operations any more than existing programs do.”¹⁸ This seems to have been an early assurance to the hospital establishment that government hospital insurance would not disturb current hospital reimbursement arrangements.

The following week Cohen was concerned with Aid to Dependent Children (ADC) as expressed in a letter to Dr. Sophia M. Robinson, Professor, School of Social Work, Howard University. He appeared to be worried about the consequences to young boys being forced into marriage to young girls who have borne their children out of wedlock after the young mothers are no longer eligible for ADC:

Is it economic pressure that causes so many girls to be married so soon after the end of ADC? If the boys are going to work early, at relatively low-paid occupations, are they making less than the optimum use of their capacities? The attempt to relate self-support to personal and family adjustment is a step I think we need to take. We assume that self-support and adjustment are interrelated, but under pressure it is possible to over-emphasize self-support and under-emphasize healthy development.¹⁹

This is an interesting welfare policy problem among many policy problems Cohen liked to think about affecting the larger society. Cohen had a deep middle class concept of standard of living which would eventually eliminate the poverty level. He apparently did not want to see young men frozen to a low standard of living just because they are fathers of illegitimate children. ADC requirements should be adjusted to help them get further education.

Always an optimist, Cohen wrote a letter to a medical student, David T. Casey, who had queried him regarding the stance of the medical profession on government health insurance; Cohen appeared to answer all letters directed to him of a policy opinion nature. Cohen wrote on April 10:

Naturally I am distressed that the American Medical Association is presently critical of our proposed program. However I am encouraged by the growing number of letters we receive from physicians asking for information so that they can make up their minds. In the long run no governmental program to make medical care more available to aged persons can succeed without the understanding, support and full cooperation of the

medical profession. It is heartening to hear from you and other medical students who wish to cast aside the name calling and slogans and analyze the facts of the situation.²⁰ On August 10, 1961 Cohen wrote to T.B. Hopper, Brewster, N.Y., who had pointed out

to him an editorial in The Wall Street Journal critical of the welfare state concept emerging because it will stifle “individual initiative,” a common fear in the United States. Cohen rebutted:

I do not believe that the black picture this editorial paints of the state of individual initiative in the United States is an accurate one. I particularly disagree with its conclusion that the growth of social insurance legislation, such as old-age survivors, and disability insurance, has diminished the roll (*sic*) that individual effort plays in providing family security. The social insurance legislation that has been adopted over the recent decades has taken full cognizance of the America heritage of study self-reliance and individual responsibility in providing protection against economic misfortune. The benefits under the government programs are provided as a matter of right and as an addition to, and not a substitute for other financial resources. Since old-age survivors, and disability insurance benefits are payable regardless of savings, pensions, investments and similar income and resources, they serve as a base upon which a person is encouraged to build for himself additional income protection through this own initiative, thrift and personal effort. In this way the program reinforces the American tradition of self-reliance.

In addition, social insurance legislation has not diminished the roll (*sic*) of private enterprise in providing family security. Today, [1961] the American free-enterprise economy has produced wide-spread ownership of property and a rapidly increasing standard of living. Also, many group pension, health, and welfare plans have been set up by private firms for their employees and by unions for their members.²¹

Cohen received many letters from people in important health and welfare programs suggesting that such and such a service should be added to the hospital insurance program proposed by the administration. Many of them were his colleagues and friends. One such recommendation was from Dean W. Roberts, M.D., Executive Director, National Society for Crippled Children and Adults in Chicago. Roberts recommended that rehabilitation services for the elderly be added to the administration’s proposal. Cohen replied to Roberts on September 15, 1961: “My feeling is, however, that the benefits provided under the proposed program would serve to meet the most urgent and pressing financial needs [hospital care] of the greatest number of aged persons.”

“We both know that in attacking any problem one has to begin somewhere. Admittedly, the proposed health insurance program falls far short of perfection; if we were to insist on perfection from the start we would most likely get nothing accomplished. As a practical matter, I believe that a conservative approach to a problem as big and widespread as that of the health costs of the aged is one of the most likely to be acceptable.”²²

Cohen was greatly concerned about removing the stigma toward recipients of public assistance, such as Aid to Dependent Children and public financial assistance for the indigent elderly. Senator Kerr and Representative Mills were co-sponsoring a bill which was in the framework of public assistance. Federal grants to the states would enable the states to pay for the medical care of elderly recipients of welfare or for those elderly who were not eligible because they were above the poverty definitions of the states. At issue among the liberals was the means test. In this connection Cohen wrote Representative Curtis [R. Missouri] who was against universal health insurance for the elderly, but supported the Kerr-Mills bill. Cohen wanted to impress on Curtis the demeaning nature of the means test: “It is our objective to ensure that the federally aided assistance programs for which the Department [HEW] has responsibility are so administered that they are neither degrading nor anti-social.”²³ Approaching the end of 1961 Cohen wrote a memorandum to Mrs. Eleanor Roosevelt, widow of the late President Franklin D. Roosevelt and a prominent social reform advocate. Cohen had apparently sought her advice among that of many other prominent people. He wrote:

During this year I have sought and received advice and reports from several groups of distinguished persons in the welfare field. What has emerged in this review is a clear recognition of the fact that today in 1961 the welfare program of 1935 is out-of-date. Born of the depression, the original pioneering welfare legislation sponsored by President Franklin D. Roosevelt will meet the problems of that time, but the quarter of a century that has passed has taught us many new things. We are not satisfied with our welfare programs and there is much that can and must be done to improve them. On the basis of the suggestions that have been made to me I have already announced 10 changes

in our welfare programs that can be accomplished by administrative action among them: 1. Rehabilitation, 2. Child welfare, 3. Training programs, 4. Establish a new single category for the aged, blind, and disabled, 5. and Technical administrative changes.²⁴

Cohen listed public speeches he made during November – December in 1961 as an indication of demands on him outside of the government:²⁵

- | | |
|----------------------------------------------------------------------------------------------------------------------|---------|
| 1. Shoreham Hotel, Washington, D.C. | Nov. 8 |
| 2. White House Regional Conference, Madison, WI | Nov. 13 |
| 3. White House Regional Conference, Detroit, MI | Nov. 15 |
| 4. Eastern Massachusetts Chapter of National Association of Social Workers, Boston, MA | Nov. 16 |
| 5. White House Regional Conference, San Francisco, CA | Nov. 20 |
| 6. White House Regional Conference, Los Angeles, CA | Nov. 30 |
| 7. Jewish Vocational Service, Milwaukee, WI | Dec. 14 |
| 8. Annual Meeting of the American Risk and Insurance Association “Health Insurance and The Government,” New York, NY | Dec. 29 |

At the end of 1961, Cohen was awarded the Terry Award from the American Public Welfare Association. His response to the award, in a letter to Loula Dunn, Director of the Association, may be the climax to the end of his first year in the Kennedy administration: “I do believe in the triumph of good – provided we all put in a lot of hard work to make it come to pass. I do believe the United States can abolish poverty in my life-time if we mobilize our resources and energies for the task. And I again reiterate my conviction to try to make this possibility become a reality.”²⁶

The mission to abolish poverty was repeated often in the Johnson administration. It can be speculated whether Cohen knew that thirty-three years before, Herbert Hoover in his acceptance of the nomination of the Republican party on August 11, 1928 to run for President of the United States, also had this view. The country at that time was on the peak of an economic boom for eight years which seemed to promise to continue. Hoover said:

One of the oldest and perhaps the noblest of human aspirations has been the abolishment of poverty. By poverty I mean the grinding by undernourishment, cold, and ignorance, and fear of old age of those who have the will to work. We in America today are nearer to the final triumph over poverty than ever before in the history of any land. The poorhouse is vanishing from among us. We have not yet reached the goal, but, given a chance to go forward with the policies of the last eight years, we shall soon with the help of God be in the sight of the day when poverty will be banished from the nation. There is no greater guarantee against poverty equal to a job for every man. This is the primary purpose of the economic policies we advocate.²⁷

To the astonishment and extreme distress of the people of this country however, the stock market crashed in 1929 and by the end of Hoover's four-year term in 1932 the country was in a deep depression. Cohen experienced that depression during the Roosevelt administration. Both Hoover and Cohen subscribed to the belief that economic growth would continue indefinitely, Hoover a conservative Republican and Cohen a liberal Democrat – interesting bedfellows.

Early in 1962, Cohen went public on his proposal to abolish poverty including cost estimates. He submitted a chapter of a book of readings edited by James N. Morgan, of the Survey Research Center, University of Michigan, on January 10, 1962, "Income, Welfare, and Public Policy": "The United States could easily and simply abolish poverty by the stroke of a pen. To raise every individual and family in the nation now below subsistence level to subsistence level would cost about \$10 billion a year. [1962] This is less than 2 percent of the gross national product. It is less than 10 percent of our tax income. It is about 20 percent of the cost of the national defense." The punch line: "The fiscal problem involved in abolishing poverty is the easiest aspect of the problem. This was not always so."²⁸ Viewing the fiscal problem as the "easiest aspect" reveals how difficult it is to macro-manage an economy not to mention the health services. The period was a euphoric one and affected everyone's better judgment. (On April 10, 1962 Cohen asked the University of Michigan for leave of absence for the academic year 1962 – 1963.)

Cohen's liberal friends continued to nudge him. An example is a suggestion from Caldwell B. Esselstyn, M.D. in April 1962. He was chairman of the Physician's Committee for Financing the Health Care of the Aged through Social Security and a vigorous proponent of group practice prepayment plans. Esselstyn recommended that group practice clinics be included as part of the outpatient physician services. The contemporary hospital insurance bill for the elderly included hospital out-patient departments under the control of the hospitals. Group practice prepayment was still controversial among mainstream practicing physicians. Cohen wrote:

As for the inclusion of group practice clinics the implication in your letter that we can do whatever ought to be done if only we are sufficiently determined, flattering though it is, I am afraid it does not accord with the realities of the situation. The only practical way of eliminating at this time the discrimination [against group practice clinics] that makes you unhappy, and that we agree is unfortunate, would be to drop the hospital outpatient services from the bill. It may come to that in the end, but for reasons that I know you understand, we should be most reluctant to accept this situation.²⁹

Another example around the same time is a letter from Cohen on May 22, 1962 to Barbara Armstrong, Professor and an authority on social insurance at the University of California, Berkeley. She objected to the inclusion of deductibles for hospital insurance in the bill for the elderly: Cohen wrote that he did not like them either, but some members of Congress do – “this is a compromise.”³⁰

Cohen had somewhat of a love-hate relationship with his position as Assistant Secretary of Legislation in HEW. On June 22, 1962 Cohen wrote to a friend and colleague who had returned to Ann Arbor: “I envy you on your return to Ann Arbor. I have so many pleasant memories of my work and home life there that I yearn frequently to return. My duties are filled now with controversies about elementary, secondary, and higher education, medical care for the aged, food and drug legislation, the education of exceptional children and a host of other similar

topics. It is all very interesting and absorbing, but extremely complex, controversial, and frustrating.”³¹

The foregoing is vividly illustrated in a report Legislative Situation he wrote on June 11, 1962 in preparation for a staff meeting which deserves to be quoted in its entirety:

LEGISLATIVE SITUATION

I. Almost a Certainty

We are reasonably certain of passing:

1. A welfare bill
2. A vaccination bill
3. We can probably get the air pollution legislation since it has already passed the Senate.
4. We know we cannot get general Federal aid to the education bill.

II. Major Legislation Requiring Compromise

1. Health Insurance for the Aged

Depends on willingness to make compromise with Mills on use of Blue Cross plans and cash option.

2. Higher Education Bill

Should we fight for scholarships (and probably lose) or drop them?

Academic facilities: are grants and loans for both public and private schools O.K. if limited to science, mathematics, foreign languages, English and library buildings?

3. Food and Drug Bills

We can probably get a bill (or two bills) if we agree to drop the big controversial amendments and work with Eastland and Oren Harris on an agreed-upon bill.

4. Health Education Bill

We can get this bill if we go along with the loan and forgiveness provisions in the House bill. It is pending in the Rules Committee and could come out after the higher education bill is passed.

5. Quality Education Bill

We can get a very watered-down version if we accept the House version which only includes provisions for institutes and research.

III. Minor Legislation

We could possibly get at the last moment:

1. Vocational Rehabilitation Amendments.
2. Aid for educating exceptional (handicapped) children.
3. Grants for projects in aging (Senior Citizens Act).
4. National Institute of Child Health and Human Development.
5. The Adult Basic Education Bill (illiteracy education).³²

Senator Estes Kefauver [D. Tennessee] was investigating the drug industry as to price collusion. The drug companies in that period were at the height of application of anti-biotic drugs which cured a number of infectious diseases and became very visible. Dr. Martin Cherkasky, Director of the Montefiore Hospital in the Bronx, New York had criticized Cohen for “taking the heart” out of the Kefauver drug bill. Cherkasky’s letter was not in the archives so I cannot determine exactly what “heart” meant, but no matter the incident is worth reporting because rarely did Cohen “blow-up” in writing. I knew both parties and they were friends and colleagues. Cohen wrote on June 19, 1962:

It is not my position that any drug bill is better than no drug bill. It is not my position that a drug bill should be passed on the grounds of ‘political expediency’. It is not my position that there should be any ‘appeasement’ of anybody. I must say to you quite frankly that when I received your letter I was shocked and insulted. When you refer to the fact that you understand that I was one of the people instrumental in ‘cutting the heart’ out of the Kefauver bill and when you use such terms in reference to me as ‘appeasement’, ‘political expediency’ and ‘a poor bill’ you are in my opinion, using the

tactics of ‘guilt by association’ without defining any specific points. The kind of a broadside attack and innuendos that you make in your letter seems out of keeping with your professional status. I gather from your letter that you are for a bill that involves a ‘reasonable compromise’. I should appreciate it if you would please tell me what reasonable compromises you would be willing to make and what ‘unreasonable compromises’ you oppose.³³

Criticism from liberals continued. A good friend of Cohen was Julius C. Edlestein, Executive Assistant to the Mayor of New York City. Edlestein had been critical of some compromises in the administration’s hospital insurance plan for the elderly. Cohen wrote on July 5, 1962: “I have your letter of July 1. The real facts of life are we need the Republican votes because of the very fact we lose the Southern Democrats. This was decided on the very highest level. Just grim reality, Julius, that’s all.”

Senator Mike Mansfield [D. Montana], had a letter from a constituent, Dr. William R. Lee of Great Falls, Montana about an information booklet on health insurance for the elderly sponsored and circulated by the Department of HEW. The doctor wrote that it is “clearly illegal lobbying by the Federal Government at tax payers’ expense and is prohibited by law.” Senator Mansfield referred it to Cohen then Assistant Secretary for Legislation. Cohen informed the Senator on September 19, 1962 that the booklet is “The Health Care of the Aged – Background Facts Relating to the Financing Problem” published by the Department in May 1962. The book is informative in nature. Assistant Attorney General Herbert J. Miller stated that the booklet does not violate a Statute of 1913. Miller wrote a letter to Dr. F. J. L. Blasingame, Executive Vice President of the American Medical Association, on June 8, 1962 giving this opinion.³⁴

This exchange reveals the controversial atmosphere during the political debate on hospital insurance for the elderly. The administration and the civil servant needed to be very circumspect.

Near the end of 1962 Cohen wrote a memorandum to the Secretary of HEW on policy issues that should be discussed with President Kennedy in connection with the 1963 legislative program. The number of policy issues suggested reveals the range of problems occupying Cohen's mind: Education, mental health, mental retardation, health insurance, nurses' training, consumer protection, hospital supply and renovation, air pollution, social security, truth in packaging, and standby public works.³⁵ Cohen needed data on all of these problems and how to get the attention of the Congress and the President.

In large part, because the President had a sister who was mentally retarded, and mental illness was also a large and unrecognized problem, in March 1963 he became the first President to address the problem of mental health and mental retardation. The President's Panel on Mental Retardation published an elaborate report on March 23, 1963. The objective was to reduce the number of mental patients in mental institutions by fifty percent. It was the start of the shift from institutions to community health centers in the Sixties. Mrs. Eunice Mary Kennedy, Robert Kennedy's sister and the wife of the director of the Office of Economic Opportunity (OEO) Sergeant Shriver, was very active in support of this program. She was sent all the numerous progress reports that were issued in-house.³⁶

In 1963 Cohen's first of three sons, Christopher [born in Washington, D.C. in 1942], when 21 years of age and politically aware, wrote a letter to his father that was critical of the American political process. I will quote Cohen's letter to his son quite extensively in the order it was written:

In your letter you raise some questions about current activities in the Congress. I'll try to comment on them separately and then add some overall remarks.

Regarding Adam Clayton Powell [Representative from Harlem, New York City] let me say that you must recognize that each representative in Congress is responsible to his district first and to his political party second. Unless a man can get elected and reelected from his district all else is for naught. Powell is strongly supported by his

district and thus he is almost unbeatable at the polls. The attack on him by Senator Williams assures his reelection. If you had wanted Powell to retire or to encourage someone to run against Powell, the Williams attack on him was the way not to accomplish this. Powell will now become a martyr, a persecuted man, and will be hailed a great hero by his constituents.

The particular juvenile delinquency project under question is a good project. I participated in its initial stages. Certainly, Harlem is a delinquency area and Powell should be complimented on his social vision in working for a project in this area. Some excellent professional people are involved in the project.

You circled the point in Senator Williams' statement that the project was approved only four months before the election. This is one of those gratuitous statements. Since Congressmen have to run for election every two years everything happens only a few months before election. This is inevitable and part of the calendar. If the project had been held up until after the election, then someone could say it was a reward. This kind of argument can be made by anyone, anytime, whether relevant or not.

With regard to your general criticism of the Kennedy Administration, I return to my first observation. Each Senator and Representative looks to political power and support in his district. He only follows the President when (1) he has to, (2) he doesn't care, (3) he gets something out of it, or (4) he believes in it. There are many areas over which the President cannot influence a Senator or Representative. I am not talking theoretically. I know that from hard experience. It is easy for a newspaper columnist or editor to talk about Presidential leadership but Senators like Harry Byrd, Eastland, Stennis, and others don't need the President – the President needs them!

Our American political system is really unique in the world. It is frustrating, exasperating and complex. It has built into it checks and balances to prevent rapid action, dictatorship and centralization. Your criticism is more against the system than against Kennedy.

If Kennedy acts vigorously, as in the steel strike, then the employers and the Press say he is 'overusing' the powers of the Presidency. If he doesn't get Congress to do what he wants, they say he has 'failed miserably' to exercise 'leadership.' So the President must use his great Power wisely, appropriately, sparingly. He cannot engage in every scramble and he must be sure not to lose too often or he weakens his power. He is best advised to use his influence when the issue is close and he can tip the scales by his personal intervention and his personality and power. But to use it too often in adventures doomed to failure is neither wise for a President nor for any human with feelings and a future.

On one or two occasions I have urged the President to be cautious where I thought we could not win. Politics is not like an athletic event. There is always a tomorrow when you must try to get support from someone who has opposed you today.³⁷

The problem of financing the Social Security pensions was always present. As early as July 1962 Cohen wrote a memorandum to Stanley S. Surroy, Assistant Secretary, Department of the Treasury regarding the need and possibility of taxing the pensions as part of income. Cohen

reasoned that one-half of the contribution by employers was not taxed hence it apparently seemed to him that there could be some logic in taxing Social Security pensions for one-half of then pensions because they had not been taxed at the beginning.³⁸ It was not until the Reagan Administration in 1983 that part of the Social Security pension income was taxed.

Cohen was constantly trying to think creatively about the relationship between the public and private sectors as cooperators as well as adversaries. On August 20, 1962 Cohen prepared an article for the Washington Insurance Newsletters edited by Al Goldsmith. Regarding health insurance for the elderly Cohen wrote: "Health insurance under social security reinforced by private savings and private health insurance and supplemented where necessary by medical care through public assistance would together form a strong line of defense against the high cost of illness in old age."³⁹

On September 9, 1962 Cohen addressed a meeting of the American Statistical Association in Minneapolis, MN. Being an avid consumer of statistics on health and welfare, Cohen complained the statistics textbooks did not pay attention to the application of results: "There are real shortcomings in the effectiveness with which statistical agencies serve the legislation process." Legislators and their staffs have "to make do with whatever is available." Cohen wanted statistics for policy purpose. "There are major problems getting statisticians to think about national issues and the meaning of the data they are producing. There seems to be too much defensiveness in some of the statements we hear too frequently." They are:

"No. 1 - Our responsibility is to the integrity of our statistics. We simply cannot become involved in their policy implications."

"No. 2 - If you will just tell us exactly what it is you want, we will try to help you."

Cohen notes that government statisticians should have enough awareness about what is needed to produce data.

“No. 3 – A frequent answer is ‘This series is now revised. If you will come back in about two years we can give you something that will be much better.’”⁴⁰

The foregoing reveals the problems of researcher working with the policy maker/legislator as to kinds of data, sources of data, and researchability of the kinds of data desired. Further, (although not necessarily true of Cohen’s work) policy makers and advocates want facts, irrespective of context. Researchers want a context.⁴¹

Always educating his colleagues regarding one issue or other Cohen wrote a memo to several of them on March 27, 1963 on eliminating poverty. He had made his views public on this issue earlier. In this memo he was suggesting a specific method. One way to rehabilitate low income families was through low interest loans from the government for capital to buy tools and equipment to start a business or down payment on a house. Cohen had a strong vision of helping the low income people achieve a mainstream American middle class standard of living.⁴²

Cohen’s depth of compassion is revealed by excerpts he sent from *The Church and the Social Welfare* by Alan Keith Lucas, to the Secretary of HEW and other people close to him. The author deals with morality, e.g. ADC mothers must not be punished for having more illegitimate children. The innocent child suffers. Morality cannot be bribed. Compassion must be practiced.⁴³

Cohen had clearly been influenced by his childhood. He would frequently reminisce about Milwaukee and growing up there. He gave a speech before the Regional Conference of the American Public Welfare Association in Milwaukee on May 3, 1963. “I am glad I grew up in the ‘gemuetlichkeit’ Milwaukee world of the twenties. I am glad I shared in the ‘melting pot’ atmosphere of the Prairie St., Vliet St. and Jefferson St. elementary schools and Lincoln High

School. This experience helped me in my understanding of the aspirations of people – people in politics, people on welfare, all kinds of people – and, most of all, how to work with and understand Congress and Congressmen and our American political system.”⁴⁴

Life in Washington continued to be very high pressure and hectic. Cohen wrote a letter to Alexander Meiklejohn in July, 1963 congratulating him for the Presidential Award of Freedom. Meiklejohn was the director of the Experimental College at the University of Wisconsin which had a great influence on Cohen. In addition to the congratulation Cohen wrote: “Life in Washington these days is a matter of frustrations and difficulties. We are trying to tackle great problems with small and inadequate tools and with very little understanding on the part of many people whose support we need.”⁴⁵

Nevertheless Cohen “hung in there.” During August 1962 he wrote a statement on welfare directed to no one in particular but apparently for his own record: “In numerous ways we appear to be at a major turning point in public welfare. With too many Americans living below the poverty line, with automation abolishing jobs faster than the economy currently has been able to create them; it has become increasingly apparent that the 1935 instruments for attacking poverty – through income maintenance programs of social insurance – are no longer sufficient.”⁴⁶ He suggested more social services, greater flexibility in administration, demonstrations projects and so on.

Soon after, on October 8, 1963, Cohen wrote to the Secretary a memorandum suggesting changing the name of the Department of Welfare Administration to Social Service Administration. He was seeing the need for social counseling assistance as well as purely financial assistance.⁴⁷

According to a memorandum from Cohen to the Secretary on October 21, 1963, the hospital insurance for the elderly was being stymied in the Ways and Means Committee chaired by Wilbur Mills [D. Arkansas]. The issue was financing hospital insurance through Social Security. Mills was known to be afraid of jeopardizing the Social Security funds in any degree. He would hold hearings in November 1963, but not take any action. In 1964, Mills said Secretary Celebrezze would be the first high official to testify. That same year, Mills would call hearings on the increases in OASDI benefits and support a substantial increase in the tax rate and across the board increases in cash benefits (close to the long range plans of Cohen). Mills favored expanding the Kerr-Mills bill based on assistance and a means test to help the low-income elderly.⁴⁸ Mills believed he had a majority in Congress behind him, which two years later would result in Medicare, a universal health insurance plan for those 65 years of age and over.

President Kennedy was assassinated on November 22, 1963 about 1PM Eastern Standard Time. There was an eloquent gap in Cohen's archives until November 26. The bureaucracy had almost stopped. A few weeks later I was in Washington and was told by a colleague in HEW that all of a sudden the telephones stopped ringing for several hours.

On November 26, 1963 Cohen wrote a letter to the newly installed President Lyndon Baines Johnson: "I respectfully hereby tender my resignation [Assistant Secretary for Legislation] effective at your pleasure."⁴⁹

On December 21, 1963 Cohen wrote to Mrs. L.S. Festman: "Thank you so much for your note. The death of President Kennedy has been a great shock to all of us who have worked so closely with him. He was a wonderful man to work for. He gave us all a great inspiration and made us feel like we were working for a great cause. I am certain that President Johnson will make an outstanding President and will do a great deal to achieve a program of social

legislation.”⁵⁰ Ambitious for his social mission as Cohen was, it is still unlikely he anticipated the avalanche of social legislation under the Johnson administration, a great deal of which was formulated by Cohen. Not long after— Johnson promoted Cohen to Under Secretary of HEW.

References

- ¹ WJC Papers, Box A-G, 1959-1961, Folder F.
- ² WJC Papers, Box 1961-1962, Folder, January- February 1961.
- ³ Ibid.
- ⁴ Ibid.
- ⁵ U.S. Senate, Nominations. Hearings Before the Committee on Finance, 87th Congress. First Session, March 22 and 23, 1961. Washington, D.C., GPO, 1961 p. 96.
- ⁶ Ibid, p 111.
- ⁷ WJC Papers, Box 3, 1961 – 1962 Folder Signers copy, April 1961. The printed text is in: Wilbur J. Cohen, Reply to Ray Peterson’s comments on “The Challenge of Aging to Insurance.” Journal of Insurance XXVIII 998 – 1001, September 1961.
- ⁸ Ibid, p. 127.
- ⁹ Ibid, p. 128.
- ¹⁰ Ibid, p. 123.
- ¹¹ Ibid, p. 126.
- ¹² Ibid.
- ¹³ WJC Papers, Box 3, 1961 – 1962, Folder, April 1961.
- ¹⁴ WJC Papers, Box 3, 1960 – 1961, Folder, May 1961.
- ¹⁵ WJC Papers, Box 3, 1961 – 1962, Folder, May 1961.
- ¹⁶ Ibid.
- ¹⁷ WJC Papers, Box 3, 1961 – 1962, Folder, Signer’s Copy, June 1961.
- ¹⁸ Wilbur J. Cohen, “Health Security for the America People.” In: Problems of Working Women: A summary of a conference sponsored by the Industrial Union Department, AFL-CIO, June 12-14, 1961. Mayflower Hotel, Washington, D. C., page 35-43. WJC Papers, articles and speeches No. 15, May 1961.
- ¹⁹ WJC Papers, Box 3, 1961 – 1962, Folder, Signer’s Copy, June 1961.
- ²⁰ WJC Papers, Box 3, 1961 – 1962, Folder, Signer’s Copy, August 1961.
- ²¹ WJC Papers, Box 3, 1961 – 1962, Folder, Signer’s Copy, August 1961.
- ²² WJC Papers, Box 3, 1961 – 1962, Folder, Signer’s Copy, September 1961.
- ²³ WJC Papers, Box 3, 1961 – 1962, Folder, Chronological Correspondence, November 1961.
- ²⁴ WJC Papers, Box 3, 1961 – 1962, Folder, Chronological Correspondence, December 1961.
- ²⁵ Ibid.
- ²⁶ WJC Papers, Box 3, 1961 – 1962, Folder, Chronological Correspondence, December 1961.
- ²⁷ The New Day: Campaign Speeches of Herbert Hoover, 1928. Stanford University, CA, Stanford University Press, 1928, p. 16.
- ²⁸ WJC Papers, Box 3, Folder, Chronological Correspondence, p. 3-4, January 1962.
- ²⁹ WJC Papers, Box 3, Folder, Signer’s Copy, April 1962.
- ³⁰ WJC Papers, Box 3, Folder, Signer’s Copy, May 1962.
- ³¹ WJC Papers, Box 3, 1961 – 1962, Folder, Chronological Correspondence, June 1962.
- ³² WJC Papers, Box 3, Ibid.
- ³³ WJC Papers, Box 3, 1961 – 1962, Folder, Chronological Correspondence, June 1962.
- ³⁴ WJC Papers, Box 3, 1961 – 1962, Folder, Signer’s Copy, September 1962.
- ³⁵ WJC Papers, 1962 – 1964, Folder, Chronological Correspondence, December 1962.
- ³⁶ WJC Papers, Articles and Speeches on 109 – 114, January – March 1963, No. 113.
- ³⁷ WJC Papers, 1962 – 1964, Folder, Chronological Correspondence, March 1963.

- ³⁸ WJC Papers, Box 3, 1961 – 1962, Folder, Chronological Correspondence, July 1962.
- ³⁹ WJC Papers, Box 3, 1961 – 1962, Folder, Signer's Copy, July 1962.
- ⁴⁰ Wilbur J. Cohen, *Statistics for Health, Education, and Welfare Legislation*. Presented at the 1962 annual meeting of the American Statistical Association, Minneapolis, MN. September 9, 1962. WJC Papers, Articles and Addresses, July 1962 to December 1962, No. 92.
- ⁴¹ See Odin W. Anderson. *The Evolution of Health Services Research: Personal Reflections on Applied Social Science*. San Francisco, Jossey-Bass Publishers, 1991.
- ⁴² Ibid.
- ⁴³ WJC Papers, 1962 – 1964, Folder, Chronological Correspondence, April 1961.
- ⁴⁴ WJC Papers, Articles and Speeches, Nos. 123 – 132 & No. 126, April – May 1963.
- ⁴⁵ WJC Papers, Folder, Chronological Correspondence, July 1963.
- ⁴⁶ WJC Papers, 1962 – 1964, Folder, Chronological Correspondence, August 1963.
- ⁴⁷ WJC Papers, 1962 – 1964, Folder, Chronological Correspondence, October 1963.
- ⁴⁸ WJC Papers, 1962 – 1964, Folder, Chronological Correspondence, October 1963.
- ⁴⁹ WJC Papers, 1962 – 1964, Folder, Chronological Correspondence, November 1963.
- ⁵⁰ WJC Papers, 1962 – 1964, Folder, Chronological Correspondence, December 1963.

Chapter 7: The Social Legislation Volcano—Johnson Administration 1963–1969

Cohen was off running again under the administration of the new President Johnson. By December 16, 1963 he submitted a draft to the President for 1964, A Six Point Program For People. It is worth reproducing in its entirety as a base line of the new administration which, in principle, had been started by the Kennedy administration. Note the all-encompassing assurance of income and the faith in the “vast and growing productive capacity.”

A Six Point Program For People

I have today discussed with the Cabinet my desire that we mobilize an all-out drive to assure to every American, regardless of his race, age, geographical location or personal circumstances, the opportunity to share fairly and fully in American prosperity.

This is what the people in America want:

1. For every American able to work-a good job, a prosperous, productive farm, or a fair chance to do business at a fair return.
2. For every American who has retired or cannot work-a fair share in expanding American prosperity.
3. For every American family-a decent home in a good community with free access to all of community services.
4. For every American boy and girl-education to the top limits of his and her ability, with the opportunity to fully utilize this ability.
5. For every American birth to old age-a full return from the miracles of modern medical science.
6. For every American who needs help in time of need-assurance of aid and service underpinning the economy.

America is a country of vast and growing productive capacity. We are trying to free that productive capacity for more rapid growth and expansion through tax and other measures.

But a prosperous America must be a land of opportunity for all its people. We cannot afford a prosperity that leaves some individuals and groups behind because of discrimination, illiteracy and occupational obsolescence, chronic ill health or dependency, or geographic stagnation.

We are engaged in a great historic struggle to preserve freedom throughout the world. But in that struggle we must also preserve the basic opportunities on which freedom rests for our people here at home. Freedom abroad and freedom at home must be built on the assurances of three full meals a day, a chance to work and advance according to capacity, a decent place to live, a future for one's children, good health and a sense of belonging to a society which needs and welcomes the full participation of every citizen.

I am, therefore, calling upon all of America in this Christmas season to rise to this challenge. It is not our American way to rely simply on Government to solve the

problems of the hungry, sick, tired, the old, the lonely, the discouraged, and the seemingly unwanted. We need the ancient virtues of neighborliness and concern for one another. We need the help of all our organized groups and instrumentalities-business, labor, the farming community, the churches, voluntary associations, the professions, and all the rest of the vast network of inter-acting forces that constitute American society.

But it is the obligation of Government to put before the country the needs that exist, the point at which our multiple system of divided powers and free institutions is failing a large segment of our people.

It is the obligation of the President and all others in a position of political responsibility to give voice to the aspirations of the American people who elected them; to call upon all elements in the American political, economic, and social fabric to give earnest thoughts to the specific ways in which these aspirations may be achieved within the wide range of our American society.

I am, therefore, today calling upon the five Departments primarily concerned to begin at once the exploration of ways in which the Six-Point Program for People outlined above may be translated into specific goals and action in their own areas of responsibility, and to submit a preliminary report to me.. I am asking each of them to call not only upon the resources within his own Department, but also upon public and private sources outside the government to see what can be achieved with existing resources and what might be needed by way of new or expanded provisions. I am asking:

The Secretaries of Labor, Agriculture and Commerce to develop aspects of Point 1 that lie within their jurisdictions;

The Secretary Of Health, Education And Welfare to take the lead in developing plans and proposals relating to Points 2, 4, 5, And 6.

The Administrator of the Housing and Home Finance Agency to develop those for Point 3.

The Chairman of the Council of Economic Advisers and the Director of the Bureau Of The Budget to assist the Departments in this effort in every way possible.

In January 1941, Franklin D. Roosevelt sent to the American Congress one of the greatest challenges ever placed before the American people, his Four Freedom message in which he sets forth a glowing ideal of freedom from Want. In the intervening 23 years we have made important strides in reducing the number of ill-clad, ill-housed, and ill-fed. But the American conscience can never rest easy, the American dream will not be filled until we have achieved the goal of freedom opportunity and security for every American. That is the end to which our Six-Point Program for People is directed. ¹

By January 1964 interest in hospital insurance from the Republican side of the aisle began to emerge through the bill formulated by Senator Javits (R. NY) who was regarded as a “liberal” Republican. Many members of Congress were scrambling to have their names on one

bill or another. A consensus of sorts was surfacing. A memorandum from Cohen to the Secretary on January 14, 1964 noted that the Javits bill, Health Care Insurance Act of 1964, accepted Social Security as the financing vehicle, and also wanted to relate private insurance companies in some way-Nelson Cruikshank of the a AFL-CIO approved In principle. There was a movement to a compromise with the King-Anderson bill. ²

As these legislative developments emerged, Cohen could see time was needed for a political consensus. Hence he wrote to Dean Fauri, School Social Work, University of Michigan on January 21, 1964 asking for an extension of leave: “Whether I should only request one semesters leave or the entire academic year, I do not know. We are still deeply enmeshed on the poverty program and hospital insurance for the aged. I don't know what will happen on either of these programs but as a good social worker I can't make any promises to leave the ship right now until I have safely steered into port.” ³ Only two days later Cohen released for the administration “The Elimination of Poverty: A Preliminary Goal of Public Policy” as an address before the Conference Poverty-in-Plenty, at Georgetown University. The means of eliminating poverty was many pronged, from income to education. The Report had already been submitted to the Bureau of the Budget on January 10, 1964. Concurrently, the Secretary was asking Cohen to establish a Task Force on community action programs in February 3, 1964. ⁵

There were, of course, many ramifications of the possible hospital insurance legislation touching a wide variety of interest groups. A possibly unexpected one was brought out in an article in the Wall Street Journal, December 27, 1963 and referred to by Cohen in an indignant letter to Senator Humphrey (D, MN) for his information and presumed agreement. The article is called “Patient Pinch” and deplored the reduction in “teaching patients” because of health insurance and now, the elderly. Cohen wrote: “Like it or not, this is the inevitable paradox of

progress. All creative achievement is disruptive of established procedures and generates new problems.

“No one, in or out of the medical profession, can seriously question the fundamental value of the progress toward increased financial security for our citizens. Nor can anyone seriously suggest that we as a Nation pursue a calculated policy of assuring the existence of a large pool of indigent ‘charity patients’ who would be available for teaching purpose: Such an approach would be profoundly incompatible with the underlying moral, economic and political precepts of our society.”⁶

Cohen’s range of interests was exceedingly wide as was expected and needed in health, education, and welfare. For education he wrote a memorandum to Francis Keppel, Commissioner of Education on March 26, 1964 suggesting a legislative program in 1965 for gifted children. Usually Cohen stressed services for the underprivileged including perhaps slow learners. Here he turned to gifted children wondering what the Commissioner would think of developing a special categorical proposal for the education of gifted. “Will you develop some idea on this that we could discuss?”⁷

As further evidence of the interest of The Great Society program to enhance the skill level and quality of life of children, the Johnson administration set up a Subcommittee on Cultural Deprivation in December, 1963. It seems that this concept of cultural deprivation in addition to economic deprivation reflects the intent of society as expressed through the Johnson administration to enhance many aspects of life by means of government. Cohen was, of course, interested and he sent a memorandum to all members of this Subcommittee made up of representatives of the relevant agencies in the federal bureaucracy. He listed the duties of a Subcommittee as follows: 1. Assemble facts already known regarding cultural deprivation and

educational enrichment; 2. Develop a conceptual model of the problem; 3. Consider what can be done; and 4. Establish priorities for action after leverage points have been worked out.⁸

Again Cohen wrote Dean Fauri on March 30, 1964 following his letter in January requesting a leave of absence for the academic year 1964-1965. Although Cohen had hoped that he would be in a position to consider returning to the University of Michigan in 1965 he wrote: “However, President Johnson has asked me to postpone my resignation and I have promised I would not take any action to resign without consultation with him. Under the circumstances I have no other alternative but to request an additional year’s leave of absence.”⁹

About the same time Cohen wrote a progress report on the first three years of the Kennedy-Johnson administration to the Secretary. He brought to the Secretary’s attention that in such a short time 31 major legislative proposals were enacted by Congress regarding health, education and welfare. Specific enactments included chronic disease, dental manpower resources, water supply and pollution control, migrant health, aid to the deaf, public library aid, Cuban refugees, and safe and effective and drugs.¹⁰

Cohen’s deep involvement in policy legislation regarding hospital insurance for the elderly revealed the more specific reasons for his remaining in Washington. He wrote a letter to Francis Perkins, former Secretary of Labor during the Roosevelt administration and influential in the creation of the Social Security Act in 1935. He apparently wished to keep a former Roosevelt appointee up-to-date for whatever influence she might still have on Democrats who remembered the New Deal days. Cohen reported to her that he was now in executive sessions with the Committee on Ways and Means chaired by Wilbur Mills: “I still think there is an outside chance to get something so I am still somewhat optimistic, but I am sure it will be a long, hard, difficult struggle during the next five or six weeks.”¹¹

Indicating progress, Cohen sent a memorandum to the Secretary that Mills would like to sell Walter McNerney, President of the Blue Cross Association, on the idea of having the Association administering the hospital insurance plan provided that the hospitals would not receive more than 99 percent of their cost. Blue Cross would receive its actual out-of-pocket costs for administrative services. Cohen wrote: “Mills made a big point to me by writing the Federal Law in this way so that no private [for profit] insurance company could really be the administering agent, but only the Blue Cross Association. In this way he hoped to meet your point of ruling out private insurance companies by writing the Federal law in a way that would accomplish this objective without specifically saying so. Cohen thought this was “brilliant”, as did the Commissioner of Social Security, Robert Ball. It is apparent that the administration felt that using for profit insurance companies was not appropriate for a health service program financed and run by government, revealing the usual ambivalence of entrusting a health service to the private profit sector.

As an example of how and where important national policy is sometimes made, Cohen wrote a memorandum to the Secretary on May 25, 1964 saying that he was invited to accompany President Johnson on the presidential aircraft Air Force One to Ann Arbor on May 22, 1964. The President was to give the commencement address at the University of Michigan. Cohen tried to explain to the President what the hospital insurance bill for the elderly contained. Senator McNamara and Representative Ryan, both of Michigan also on the flight, interrupted saying the bill contained a means test. Cohen said that it did not. Would the President read the proposal? He did and thought it reasonable, i.e., No test could be interpreted as being in the bill. The president asked about the timing to bring the bill out the Committee on Ways and Means. Cohen’s answer: “I said I thought there would be fewer than 15 votes against the bill on the House floor and I will

pay the president one dollar for every vote above 15 against the bill. He said it was a bargain and shook my hand.”¹³ The commencement address proved to be historic in that the President outlined the administration’s objective to abolish poverty, which received national press attention.

With understandable elation, the next day Cohen sent a letter to Altmeyer in Ann Arbor about his plane trip: “I had the pleasure of flying out on the President’s plane to Ann Arbor and thus had an excellent opportunity to discuss with the President what was going on in The Ways and Means Committee. Despite what you read in the newspapers, I still think we have a better than 50-50 chance to get Wilbur Mills to go along with the principle of insuring some hospital costs under social security.” Then he mentions the usual crossfire from the liberals. “The work on the details of a plan acceptable to Mills has been very trying, mainly because of our liberal friends continually giving me the advice – don’t sell out on any bad compromises. On the other hand, if we are not successful in getting a bill they will tell everybody how it was our fault for not being able to get it through the Committee when we only needed one additional vote. The whole experience has certainly led me to get annoyed at the professional liberal who has such easy slogans for both victory and defeat.”¹⁴

As the legislative process for and against the hospital insurance bill for the elderly was heating up Cohen became increasingly explicit in defending it as a “conservative approach.” On July 30, 1964 he sent Senator Lister Hill (D. Ala.) a copy of a speech he was giving to the Jefferson County (Alabama) Medical Society with the title “Social Security: The Conservative Approach.” Hill was generally supportive of health insurance for the elderly and it was wise to keep Hill informed about his invitation to address the country medical society. Excerpts from Cohen’s address are:

First, let me say that I am absolutely opposed to socialized medicine. By that term I mean the government owning the health facilities and employing the practitioners. I do not consider the Administrative proposal to finance hospital insurance through social security a form of socialized medicine since it does not provide for the government to own or operate the hospitals nor does it provide for the employment by the government of any of the practitioners. There are, however, many people who sincerely believe that any form of governmental program for the financing of medical care is a form of socialized medicine. If you accept this definition then the Kerr-Mills program [including means-tested medical care for the elderly] is a form of socialized medicine and since the American Medical Association supports the Kerr-Mills program the conclusion must be that the AMA is in favor of socialized medicine. It is for this reason that I do not endorse these broad definitions of socialized medicine but rather adhere to the strict definition I have spelled out above. (Cohen was the primary draftsman for the Kerr-Mills bill).

I sincerely believe that unless some reasonable method is found to take care of the cost of financing hospital and nursing home care for our elderly citizens, the Congress, the State legislatures and the people generally, are going to find some way to do this which might not be as sensible or sound as using the social security system to finance the costs. In other words, what I am saying is that financing catastrophic hospital and nursing home costs for the elderly through the social security system is a method of preventing socialized medicine. I do not think that the overwhelming majority of American citizens want socialized medicine nor do I think such a system would work in such a large and diverse country as ours compared with the homogeneous character of Great Britain and some other countries.

There is nothing very radical about the social security system. As a matter of fact, it is a very conservative approach to dealing with this kind of problem. The social security financing then is based on the idea that the individual will contribute part of the cost to his protection. It stresses contributory participation against the free approach embodied in the Kerr-Mills program.

Hospital insurance under Social Security would be provided as a right without regard to a person's savings, private insurance, homeownership, and the like. Protection furnished in this way would permit the aged to protect their assets, protect their self-respect and to gain comprehensive protection by supplementing the basic social security should hospital and private insurance and other resources prove insufficient

The Kerr-Mills program is a necessary underpinning to all other programs so that any individual who does not have private insurance or social security will still be able to have his medical needs met. It is a residual system.” (Emphasis, mine. Cohen visualized reducing this residual to near zero over time).

If we were to wind up with such a system [Kerr-Mills], a system where the costs are paid from general revenues just like money to build dams, harbors and new post offices, I do not see how pressures to expand that type of program, to cover all costs and all services for more and more people could be resisted. What would be missing is the brake on increasing costs that social security has because you have to raise the employee contribution to pay social security

I believe that I am a reasonable middle-of-the road person... I do not want to be engulfed, nor do I want our nation to be engulfed, by either the welfare approach or the socialized medicine approach.¹⁵

Cohen kept many people in the Congress and the administration constantly informed on policy developments, and particularly the Secretary as to the status of health insurance legislation. He called the latter “controversial matters”.¹⁶

A member of the President’s executive staff requested from Cohen a brief checklist of some of the major items which should be considered in the formation of the legislative program for 1965. Instead of being brief, it seems that Cohen suggested all of the programs being discussed to implement The Great Society: Medicare, increased social security benefits, and increased grants for public welfare. Then followed community services for senior citizens, programs for children and youth to shore up low family income, a program for the disabled, scholarships for low income youth of college age, federal aid for low income elementary and secondary school districts, aid for gifted children, staffing grants for mental health and mental retardation, and prevention of crime programs.¹⁷ A similar memorandum equally elaborate was sent by Cohen to The Secretary on November 2, 1964 and still another one on November 5, 1964 after the election.¹⁸

Given this explosion of recommendations from Cohen and apparently from other staff members, Cohen was afraid there might be too little coordination with contacts in the Congress. He then wrote a memorandum to the staff close to him, seven in all, on November 13, 1964:

During the course of the next Congress, we will all have many occasions to contact Senators and Congressmen about a variety of matters. Many times there will be a close interrelationship between various legislative activities, and it will be helpful for my office to know what contacts are made on what matters I would like you to give me, through Mr. Coston’s office, beginning immediately, a weekly list of the members contacted, with an indication of the matters taken up. In this way we will all be able to make fullest use of our resources¹⁹

The War on Poverty thrust was given to Sergeant Shriver, brother-in-law to the late President Kennedy. Proposals on the War on Poverty were submitted by Shriver through Cohen

as Assistant Secretary for Legislation to the Secretary. Cohen sent a memo to the Secretary on November 23, 1964. Shriver emphasized Principles Underlying the Poverty Program revealing the depth and scope of the program as presumably envisioned by President Johnson:

1/that the poor people should have a democratic voice (emphasis in the report and those following), in determining social service policies (now too muffled); 2/ that poor people have a right to benefit from available social programs without submitting to requirements which violate their personal dignity or basic rights; 3/that it is the responsibility of the government to package social services in a manner which facilitates their consumption rather than inhibiting it; 4/that equal opportunity in a democratic society requires special help for the disadvantaged; 5/ that poverty cannot be eliminated without an unprecedented involvement of people, and especially poor people themselves in the process of change; 6/ that the most important role of the Federal Government in the War of Poverty is stimulating mobilization of the social and intellectual resources and forces of the Nation to the attack.²⁰

On Sunday December 13, 1964 in Washington Cohen met with the elite known as “liberal doctors,” nine of them, on the developing features of the hospital insurance bill for the elderly. Their classic liberal provisions as contrasted with classic conservative positions were summarized into nine recommendations from which I select the following as classic liberal positions: 1/They were opposed to any deductible to be paid by the patient; 2/ They favored single hospital benefit for everyone with no option; 3/ They strongly favored inclusion of a utilization review committee notwithstanding whatever opposition might arise from physicians and hospitals; 4/They recommended deletion of the private sector proposal by Senator Javits [liberal Republican of New York] which would involve private insurance companies in the administration of hospital insurance.

Cohen did not report at this point his own views or his usual judgment on political feasibility and need for compromise on such as no deductibles. Cohen’s liberal friends usually regarded compromise as selling out, although in principle he agreed with them.²¹

On December 30, 1964 Cohen sent a letter to Allen Barth of the Washington Post revealing Cohen's constant concern with newspaper publicity. Cohen brings to Barth's attention that "a very distinguished group of people" have issued a report recommending hospital insurance for the aged through social security: "If whoever handles the writing of the editorial wishes to discuss any matters with me I should be pleased to talk with him."²²

The year 1965 was the climactic year for Cohen's career given his mission to expand the Social Security Act to cover health insurance for the elderly. The year started unspectacularly enough in a memorandum to Lawrence F. O'Brien on the President's staff on January 6, 1965. The memorandum had to do with the role of the private insurance companies in the administration of the hospital insurance act. There had been internal discussion as to their particular role, but no conclusion. Frazer B. Wilde, Chairman of the Board of Directors, Connecticut General Life Insurance Company, Hartford, Connecticut had made an offer of cooperation to the President and to O'Brien in connection with the "Medicare bill." Cohen called Wilde and the suggestion was that the President telephone or write to James F. Oates, Jr. Chairman of the Board of Directors of Equitable Life Assurance Society of the US in New York City. Wilde said that Oates had a vice president by the name of Hillary Smith who had been following the whole field of health legislation, and Smith and his colleagues would probably be interested in coming to Washington to talk and make some practical suggestions. Cohen to O'Brien: "I am very uncertain in my own mind as to whether there is any real advantage in any official or off-the-record discussion with the insurance companies. They have been very stand-offish in the past, and when they have made any suggestions, they are the ones that we usually can't accept. Therefore, starting this discussion with them may end up in our having more difficulties than having any extensive help with the legislative program."²³ It will be recalled

that there had been discussions with the Blue Cross Association, the association of non-profit hospital care plans, while keeping a distance from profit plans. In any case, as will be seen, the final legislation includes both types of insurance companies as administrative agencies between the hospitals and the Federal Government.

As for the Medicare bill itself the political breakthrough for possible enactment is seen in a memorable memorandum to The President from Cohen on March 2, 1965. Cohen was still assistant Secretary. In unadorned bureaucratic style he wrote:

Subject: Hospital Insurance for the Aged Through Social Security, Developments Today at the Executive Session of the House and Ways and Means Committee.

This afternoon at about 3 p.m. we completed review in the Committee of all the major health bills pending before the Committee, including the A.M.A. bill and the Byrnes bill. Mr. Mills turned to me and requested that we develop the details overnight (emphasis mine) of a proposal that will put together in one bill features of all three of the major bills pending before the Committee namely:

1. The basic provisions of The Administration's King – Anderson bill to be finance through social security. (hospital insurance)
2. A supplemental and expanded Kerr-Mills program along the lines of The Administration's Child Health and Medical Assistance Act. (for low-income elderly)
3. A voluntary supplementary system of health benefits which would be subsidized in part from general revenues and in part form voluntary deductions form the individual's social security benefits. (for physicians services)

The effect of this ingenious plan is, as Mr. Mills told me, to make it almost certain that nobody will vote against the bill when it comes to the floor of the house. It should be clear that Mr. Mills would retain all of the most basic elements of the Kind-Anderson program financed through social security but add to the bill a supplemental health insurance benefit [physicians' services] which many aged people would be willing to purchase because the Government would subsidize out of general revenues some substantial portion of its cost.

Mr. Mills has become very much concerned – as am I – over the fact that the Republican proposal introduced by Byrnes provides for medical benefits much broader in scope than our proposal. The Byrnes bill includes payment for the major share of the cost of physicians' services, drugs, private duty nursing, and care in mental hospitals. Certainly any Republican attack on the Administration's proposal will be that they are proposing a more liberal and more comprehensive and better total package than the Administration's program. Mr. Byrnes has repeatedly referred to the fact that as compared to the Administration's program of 'Medicare' and the A.M.A. program of

'Eldercare' that his bill is 'Better Care.' (The Byrnes – AMA approach was a means-tested public assistance program financed from general revenue and could be calibrated financially by the states by manipulating the income level up or down according to state-federal funding. The Medicare proposal for hospital care was funded by payroll deductions like Social Security and universal for all elderly on Social Security pensions).

I feel reasonably sure that now after these weeks of Committee sessions Mills now feels he has developed a combined package approach which is unassailable politically from any serious Republican attack. [including the A.M.A.] We will be working with Mills and the Committee tomorrow along these lines. Mills has said to me late this afternoon that if these details can be worked out he would like to get the Committee to agree on this approach so as to settle the whole issue and get the bill reported out to the floor as soon as possible.²⁴

Hospital insurance with compulsory payroll deduction became Part A, and physicians' services became Part B financed by voluntary deductions from Social Security pensions and the premiums being partially subsidized from general revenue. The rug was pulled out from the A.M.A. opposition to compulsory deduction by making physicians' services in voluntary program. The legislative package was dubbed "The Three Layer Cake."

Shortly after this successful political group there was discussion within HEW about the possibility and advisability of inviting Dr. Blasingame, Executive Director of the American Medical Association for an appointment with the President as to the current status of the Medicare legislation. Both Secretary Celebrezze and Representatives Mills were against it at this time. Dr. Blasingame was rather a congenial and civil person even though he felt strongly about government health insurance. This discussion was recorded in a memorandum from Cohen to Douglas Cates on the President staff on March 10, 1965: " Obviously the AMA is shocked and opposed to the tentative action of Chairman Mills with the overwhelming support of Republicans and Democrats on the Ways and Means Committee to approve the President's Social Security finance proposed plus a voluntary insurance plan for covering physicians' services. As Chairman Mills said to me, the Committee action is in large part due to the attack the AMA has made on the limitations of the administration proposal [in terms of range of services]."²⁵

The general opinion was that since the AMA would continue to oppose the bill, the proper place for the AMA to present its views to the Senate Finance Committee was when they held hearings on the bill. Also, were the President to see the AMA, other groups such as the insurance companies who oppose the bill, and physicians who support the bill would want to see him. There would still be changes in the bill and it would be prudent to delay such meeting with the AMA until the bill is really in final form. Lastly and to quote: "In order not to completely reject any constructive (emphasis in memo) suggestions which might emanate from the AMA, Marvin Watson might say to Dr. Blasingame that if AMA prepared a memo on its views he would show it to the President. This would also enable us to get a preview of any comments they would be giving the Congress and also enable the Administration to say - if it were ever necessary-that we need to consider their views." ²⁶

Even in this exciting melee as progress was being made to make Cohen's objectives at least a partial reality, he wrote to Kermit Gordon, Director, Bureau of the Budget on April 27, 1965 regarding Gordon's resignation: "I am filled with envy and admiration for your decision to free yourself from the stress and strain of government burdens. Oh, how I would love to be courageous and intelligent!" ²⁷ Around the same time Cohen expressed similar sentiments to Mary S. Switzer Commissioner of Vocational Rehabilitation, Department of Labor on May 4, 1965. He was thanking her for sending the message of congratulation for his being promoted to Under Secretary of HEW: "I know that you are one of the few people who know what kind of pressures and difficulties are on the fifth floor and the heartaches and travails that are involved in trying to do a little bit of good each day." ²⁸

On April 12, 1965 Cohen felt secure enough to believe that Medicare would pass the Senate since it had now been passed by the House and to write former President Harry S. Truman, retired in Independence, MO:

Twenty years ago I helped Sam Rosenman draft your famous health message of November 19, 1945. Over the years I worked for you, then President Kennedy, and then President Johnson to help put into affect the many splendid recommendations you made in that historic and precedent-making message.

Most of the recommendations have become law in the intervening years-except any measure to establish a governmental health insurance. [Vigorously promoted by Truman.] Now when we have just obtained passage by The House of Representatives of the medical care bill sponsored by Representative Wilbur D. Mills, I have thought of you and your 1945 message and your leadership in supporting the Wagner-Murray-Dingell bill when the A.M.A. was opposed to it²⁹

With the increased momentum of the near certainty that the Medicare bill would be passed in the very near future, problems of implementation were being discussed internally. It was apparent that by the middle of May insurance companies were expected to play an intermediary role between providers and the Federal Government. The insurance companies and Blue Cross/Blue Shield wished to be part of the process as payment intermediaries, and not underwriters. There was also the possibility, of course, of the insurance agencies selling insurance against costs of uncovered services and covering the cost of deductibles and coinsurance built into the bill. The irony on the latter is that they were meant to discourage “unnecessary” use.

A general observation pertinent to the technicalities and politics of health insurance legislation concerning “range of benefits,” “length of stay in hospitals, “deductibles on services,” (\$50 for a hospital stay, \$15 for a physician visit, etc.): These are essentially technical questions which might be measurable in terms of their presumed effect. The legislatures, however, by intuition and implicit concepts of what is reasonable, bandy the matters about as to give them a sense of specious precision.

Cohen sent a memorandum on May 17, 1965 to Lawrence O'Brien, on the President's staff regarding voluntary supplementary medical insurance, as it was called. The insurance agencies meeting with the Sen. Clinton Anderson told him that they had not had adequate time to consider how they might function as a fiscal intermediary. They would like to have a six-month delay in the effective date of the supplementary benefits. Cohen reported: "The private insurance people have also talked with me directly saying that they have a group of private insurance people studying the details of the legislation with the possibility of their requesting to be a fiscal intermediary under the supplementary [Part B] in competition with the Blue Shield plans."

Cohen went on to suggest that we (the administration) should go along with Senator Anderson's recommendations because it gave an additional six months of much-needed time to plan for the administration of the program. Further, it would save about \$250 million in Federal general revenue funds during the fiscal year 1967, and it would postpone the effective date of the benefits after the 1966 election. "Consequently, if there were any substantial opposition by medical societies or individual physicians it would not come until after January 1967. In addition, it would do a great deal to soften political opposition of the private insurance companies to the bill. I have discussed this matter with Nelson Cruikshank [AFL-CIO] and he concurs in these general observations."³⁰ Cohen was taught by his mentors at the University of Wisconsin-Madison the wisdom of having time to put a program in effect thus preventing initial chaos.

The matter of high AMA officials seeing the President regarding the now enacted Medicare Act bobbed up again, but in the very different context of an accomplished fact. The administration's bargaining power vis-à-vis the physicians and hospitals was considerably

enhanced. This took careful planning and timing to deal with the honorable opposition, as expressed by Cohen in a memorandum to Douglas Cater of the President's staff, July 16, 1965:

Now that the major provisions of the Medicare-Social Security bill tentatively have been agreed to by the conferees we believe it would be desirable for the President to indicate his willingness to meet with the AMA representatives but the Secretary believes the appointment should be for a day after the House and Senate have adopted the conference report. Secretary Celebrezze should be at that meeting and could then arrange for further meetings with the HEW staff on policy issues connected solely with the administrative implementation of the legislation. (Emphasis mine) Obviously the specific provisions in the bill were now the law of the land and details of implementation involved how to accomplish it.

We have already met with the representatives of Blue Cross and Blue Shield plans and with the insurance companies on administrative implementation of the legislation. It will require the full cooperation of the physicians of the county to make the program work successfully. We believe we should consult the physicians on many important aspects as we have done since 1956 in conjunction with the administration of the disability insurance program (which they also vigorously opposed before passage) (par. in the memorandum). (Cohen continued that the HEW would plan to put some AMA representatives on appropriate advisory committees required by the new legislation.) Dr. Hudson, the President-elect of the AMA is from Cleveland, Ohio, and Secretary Celebrezze knows him and talked with him briefly at the signing ceremony on the Drug Abuse Bill and indicated our willingness to cooperate with the AMA. I am sure we can arrange for further meetings with our staff through him. Mr. Arthur Hess who will head up the work in this area under Robert Ball, the Commissioner of Social Security, has worked extensively with the AMA representatives since he has previously been in charge of the disability program.³¹

Cohen was always thoughtful and generous with his colleagues. After the intensive and personally bruising experience with the political process in the enactment and of the Medicare Act he wrote to his long-time friend and colleague Robert M. Ball:

Although you certainly know that I deeply appreciate everything that you did in connection with the Social Security Amendments of 1965 I want to report my deep respect and admiration for everything you did during the entire legislation consideration of this most monumental bill. Your leadership, your persistence, your ability to explain, defend and work out alternative arrangements all demonstrate the remarkable range of your competence. But more than all of this is the way in which you undertook to do your duty as you saw it. For this I have the utmost respect and affection for you.

In addition, I must add my most grateful thanks for everything that you did that helped me in what I am sure will turn out to be one of the most important and far-reaching pieces of legislation that we will ever have to deal with.³²

It should be recalled that Ball started working in social security in the Roosevelt administration, and continued through the Truman administration ending in 1952. He survived the conservative swing during the eight years of the Eisenhower administration 1952-1960. He was rooted in the New Deal tradition. Cohen, although in the same period and tradition, made himself much more visible in policy than Ball and thus left Washington in 1956 but was brought back by President Kennedy in 1961.

The Johnson administration was running into financial problems in promoting the War on Poverty. The Vietnam War was pressing heavily on the administration's commitment. In this connection Cohen wrote a letter to Gardner Ackley, Chairman of the Council of Economic Advisers on August 10, 1965. "I appreciate your vote of July 22 very much [regarding budget constraints.] It is true that the President at one meeting said that unless I came up with some cost reduction proposals he wasn't going to allocate any more funds to me. On the other hand, he has told me at other times he wants me to think of the boldest, most imaginative program for next year. I guess I will just have to do both."³³ Cohen revealed the scope of his activities in a report to the Secretary the same month on August 24, 1965: "Summary of Major Legislative Matters-a series of bills: Heart Stroke, and Cancer, Air Pollution, Water Pollution, Higher Education, Health Profession and Educational Assistance, Arts and Humanities, Appropriations, Impacted Area Education."³⁴

Two days later on August 26, 1965 Cohen followed through by sending a memorandum to the entire HEW staff enjoining them to be prudent in the use of lights, copying machines, long-distance telephone calls, "before calling organize your thoughts carefully," and travel.³⁵

Pressure on the federal budget continued relentlessly. Cohen was the chairman of the Health Care Task Force and sent a report marked "confidential" to the President. It contained a

description of present programs and the following “poverty targets”: 1. Every child educated, \$4.1 billion in five years, 2. Modernization of facilities, \$2.73 billion in five years, 3. Nursing homes, \$875 million in five years, 4. Training of personnel, \$1.02 million in five years.³⁶

President Johnson’s own euphoria was contagious. Cohen wrote in a memorandum to Douglas Cater in September, 1965 (no day) about what the President said at the ceremony swearing in John Gardner to be Secretary of HEW succeeding Celebrezze: “If we could just reduce the sick life of every American worker one day a year, we would be adding \$10 b. annually to our gross national product.” It appeared that Cohen wanted more precision in such estimates for he wrote Cater that the “more correct figure is \$1.4 b.”³⁷

As reported in a Report of the President’s Task Force on the Los Angeles Riots of August 11-15, 1965 to the President on September 1, 1965 (apparently headed by Cohen) the War On Poverty era received a rude shock. The event was the first of an outbreak of riots that took place before Martin Luther King was assassinated on April 4, 1968. A full range of “solutions” was suggested mainly employment and education. The conclusion read: “We would say first America faces a challenge it will not be able to meet unless it had understanding, concern, initiative and action of all our governments, of all our public and private organizations and all our people.”³⁸

Task Force Reports on a wide variety of ‘Great Society’ concepts continued to roll out. One reported out on September 16, 1965 was Labor and Related Legislation. It included sections on migratory workers, unemployed uninsureds, pensions, prohibition of age discrimination in employment and assistance for displaced workers due to introduction of labor-saving technology³⁹

Health problems, of course, continued to have a high priority. On October 2, 1965 Cohen, now an undersecretary, sent a memorandum to Douglas Cater which was part of a proposed draft

for the President when he was shortly to announce his signing the legislation on Heart Disease, Cancer, and Stroke: “The goal of this legislation is simple. It is to make available the results of research more rapidly than would otherwise be possible to the practicing physicians of this country, so that they in turn can apply them for the benefit of their patients. The method of reaching the goal is equally simple. It is the uniting more effectively the disciplines of medical research, medical education, and medical care.”⁴⁰

Late in 1965 Cohen was to lose one of his trusted advisors outside of the bureaucracy because of retirement, Nelson H. Cruikshank, Director, Department of Social Security, AFL-CIO. Some critics of Cohen felt that he was in, in effect, a staff member of the AFL-CIO. Cohen wrote:

On the occasion of your retirement I want you to know how much I will miss you. You have done so very much for social security in the United States. Your contribution has been unique, distinguished, persistent and simply great. The great victory of Medicare in 1965 could not have been accomplished without you. I saw you in the thick of the battle always fighting for the people you were ever a source of encouragement and support for me in times of trial. You were a true friend and I cannot really express in words how much I appreciate your friendship.⁴¹

It is unlikely that Cruikshank, a solid liberal, criticized Cohen for some of the compromises that Cohen made in order to pass the Medicare Act as did some other liberals. Cruikshank was close to the wheeling and dealing that took place.

The Great Society legislation for education and health during 1963 through 1965 is summarized by Cohen in a memorandum to Douglas Cater on November 4, 1965. Cohen listed fifteen bills approved for education, and seventeen bills for health. Selected examples for education are: The Elementary and Secondary Education Act, 1965; The Library Services and Construction Act, 1964; The National Foundation on the Arts and Humanities Act, 1965; The Manpower Development and Training Act Amendments, 1963 and 1965; The Manpower

Development and Training Act Amendments, 1963 and 1965. The major legislation regarding health was, of course, the Medicare Act, 1965; The Heart Disease, Stroke, and Cancer Amendments, 1965; The Nurses Training Act, 1965; The Clean Air Act, 1963; The Community Mental Health Centers Act, 1965; The Federal Cigarette Labeling and Advertising Act (no date).

Up to 1966 there had been little discussion, at least formally and officially about the concept of health services planning. Cohen apparently had the concept in the back of his mind as indicated by his quite favorable response to Senator Clifford P. Case (D N.J.) regarding a suggestion to the Senator by Dr. Joseph D. Pikus to convene a conference on planning to include all Federal, State, and local agencies. Cohen wrote that there was no question in his mind that sound regional planning was essential to the development of coordinated and effective health services. He had a qualification: "To my mind, however, the grand convention of agencies should be the last step rather than the first, in order to avoid the extensive, inconclusive type of conference such high level talks usually result in.... The first step ought to be a local planning session, or sessions, in which the facts and data relating to the area can be accumulated, tabulated analyzed by local experts and professional people. From these hard facts, problems and distribution data, a number of proposals, suggestions and policies could be elucidated."⁴²

As much as Cohen wished to expand the benefits in Medicare, he was usually cautious about the problems of finance and administration. An example is his reply to representative Hale Boggs on March 8, 1966. Boggs wanted to introduce legislation to include drugs as a benefit in Medicare. Cohen was, sympathetic but cautioned Boggs about the difficulties inherent in the administration of drugs. Drugs were already provided for Medicare patients in hospitals, but in such a controlled setting the provision of drugs was quite manageable. Cohen wrote: "The experience of a number of public and private drug benefit programs indicates that the enactment

of such a proposal at this time would pose serious problems with regard to limiting coverage to only drugs necessary to be prescribed, making payments at only reasonable prices, and administrating a provision involving a very large number of small bills.”⁴³

The policy assumption behind the Social Security pensions from the beginning in 1935 was that these pensions would constitute a base income related to payroll contributions from employers which could (and should) be supplemental and improved by pensions from private insurance also usually provided by the employers. Early in 1966 President Johnson was already aware of this and requested Cohen early in March 1966 to provide information of the relationship of any increase in the “maximum contribution and benefit base under social security to the benefits under private pension plans.”

In March of 1966, Cohen, now, as Acting Secretary wrote a detailed memorandum explaining what the impact on private pension plans would be in raising the contribution and benefit base from the current base to a higher one:

Raising the contribution and benefit base from the present \$6,600 to \$12,000 or \$15,000 does have an impact on private pension plans. Raising the base results in higher social security benefits to salaried employees who earn over the present base. Private plans would have to consider whether to pay correspondingly smaller pensions to such employees, or make no adjustment and pass the full higher benefit on to the employee.

It would be possible and desirable to change the social security benefit formula so that when the maximum earnings base is raised substantially the ultimate maximum benefit amounts would not be as high as they would be under the present formula. This would help to diminish only slightly the opposition of the employer.

One point to keep in mind is that Congress has not kept the maximum earnings base up to date. The Social Security act of 1935 set \$3000 as the cutoff. The comparable figure today would be about \$15,000. (Cohen recommends strongly that a higher income base be established because there would be stronger motive for the private plans just to the social security pensions than in the past.)

Such adjustments would take a part of the pension load off the private plans and transfer it social security. This result would offer many advantages although some employers might oppose it on broad philosophical grounds. *(By this Cohen means the balance between social security and private pensions so as not to push the latter out the pension insurance market. As will be seen this became an issue during the Nixon administration.)*

The social security system that is operated and underwritten by the Government can provide a degree of security that private plans cannot provide unless they are fully funded, which relatively few of them are. The capacity of the social security system to finance benefits rests on the entire economy [of the United States] rather than on a single or industry.⁴⁴

The euphoria of the beginning of the Sixties continued in 1966. Cohen sent an article to The Booth Newspapers, Bank of Lansing, Lansing Michigan on April 21, 1966 with the title “A Better Life for the Aged.” Cohen predicted that within a decade the United States would reach a “peak of national affluence unsurpassed by any Nation in the world.” The gross national product which has been increasing at the rate of \$35 to \$50 billion a year would “probably” exceed \$1000 billion. This “abundance,” he suggested should be used to improve conditions for the aged: Social security should be strengthened and expanded, “poverty among the aged will be abolished,” there should be flexible retirement by age; leisure time should be improved; cut the toll of the three great killers - heart disease, cancer, and stroke; artificial organs, and preventive medicine. “Overall, the age will be able to live their remaining life in dignity and independence with the freedom to choose what they want to do with their lives.”⁴⁵

The issue of AFDC mothers, deserting males, husband or otherwise, and illegitimate children was beginning to surface for public discussion. F. Helmut Weyman and Milton Friedman wrote a paper on work incentives rather than welfare to get AFDC mothers off the welfare rolls and associated tax burdens. The paper was entitled “A Proposal for a Social Incentive Bonus Program.” Cohen responded to this paper in a lengthy memorandum to the Secretary on the technical and equity problems of the proposal. The authors were proponents of classical laissez-faire economics. Cohen wrote:

All these types of plans have various technical difficulties which have not yet been worked out satisfactorily. The major problems arise from reconciliation of how to meet need and still provide incentives to work.

I believe that we should have a cross-the-board simple, and reasonable financial incentives for those persons on public welfare programs who can work or who want to work and to develop incentives that there will be an encouragement to work. However, here again it must be recognized that we have to reconcile the incentives to work with another goal of our society, namely, that mothers ought to be able to stay home and take care of their young children.⁴⁶

This was the intent of the Social Security Act of 1935 for the rise of the current enormous illegitimacy rate of unwed mothers. Cohen wanted to give the mothers options.

Cohen portrayed the Medicare Act in a speech before The Sisters of the Holy Cross Accounting Institute on May 24, 1966:

I said today that we have crossed a great Rubicon. From the time I graduated from college 30 years ago, I was involved in what probably was the biggest, most intense, ideological controversy of our time, the issue of health insurance, socialized medicine, medicare, elder care, Kerr-Mills all wrapped up into one.... The forces that were arrayed on both sides were great and powerful and intense and have left a good many scars that, all of us who were interested in healing, should take note of in working with the law.

We have crossed the Rubicon because in our democratic process Congress has passed a law and the president has affixed signature to it. I think that even those who most strongly oppose the law will not say that it does not represent the thinking of the majority of the American public.

People who did not talk to each other for thirty years are now speaking to each other. I attended four meetings with the AMA, two of them with the President of the United States, and I can assure you that many people in the official capacity of the AMA never thought the day would come when they would have to sit down in the same room and talk with me. They had been led to believe that persons like myself who have been working, arguing, legislation were the devil incarnate.

While I think it would be too optimistic for me to say that the breach is now been healed, I have seen a tremendous change in attitude among the physicians and the health personnel in this country, more than I thought would occur by this time. I do not mean to imply that the physicians of this country are happy with this legislation. They do not show any affection for it, but frankly as an administrator myself, I would not ask them to show affection, I would rather ask them to accept the legislation and to help make it work and to make it work well.⁴⁷

On July 1, 1966 Cohen wrote with elation to Vice President Hubert Humphrey and his colleague Robert Ball and Arthur Hess in the Social Security Commission identical notes: "We put Medicare in operation at 12:01 AM this morning. It is a great day. I want to thank you for everything you have done from 1949 to now to put this momentous piece of legislation into

effect.”⁴⁸ Also on July 1, 1966 the Commissioner of Social Security, Robert Ball, notified Secretary Gardner that the Social Security administration and Public Health Service staffs would be available over the Fourth of July weekend when Medicare starts. The top staff in Baltimore, the headquarters, would be available on a 24-hour basis.⁴⁹

As Medicare started to roll during the first week, Cohen sent a memorandum to Douglas Cater of the President’s staff strongly urging him to send a personal letter to Dr. Edwin Crosby, executive director of the American Hospital Association “in recognition of the outstanding services performed by Dr. Crosby in the Medicare program. His assistance was of great value in obtaining full cooperation from the hospitals in accepting the program, in achieving our goals with respect to the Civil Rights Act Title VI compliancy in dealing with the high-occupancy problems, and in effecting a smooth beginning for the program.”⁵⁰ There was no record of a similar letter to the Executive Director of the American Medical Association.

After this victory for Cohen's mission he kept right on pushing. On July 25, 1966 he sent a memorandum to the Sec. regarding the nine Administration priority bills involving “new breakthroughs”: a department of transportation, civil rights, demonstration cities, minimum wage, unemployment insurance, teacher corps appropriation, rent supplement appropriation, traffic safety, and truth in packaging.⁵¹

On August 8, 1966 Cohen brought the relatively new secretary up-to-date by informing and reminding him that in 1962 the then Secretary Ribicoff presented the 1962 welfare bill to The Congress which included a declaration of purpose. The emphasis was on making welfare families self-supporting and independent. These included prevention of dependency by dealing with problems causing dependency, incentives to recipients to improve their condition,

rehabilitation services, training and so on. The constant underlying theme was to get people off welfare.⁵²

Cohen was always looking for opportunities for favorable publicity for Social Security. An opportunity came to publicize recipients of Social Security pensions and eligible for Medicare who were one hundred years old. They could all be identified through the records compiled by The Social Security System. Cohen suggested to Douglas Cater on September 14, 1966 that since the President traveled frequently, perhaps he could visit personally the one-millionth Medicare beneficiary, Alfred T. Hayes, age 84 in Chattanooga, Tenn. a patient in a hospital there, and a former Baptist minister at the President's church in Texas.⁵³ It is not recorded whether or not the visit took place.

Heretofore, Cohen had made occasional remarks to close friends and colleagues that he was frustrated and overworked. After he was appointed Undersecretary he apparently had more administrative and managerial duties (and the Medicare legislative process was over). He shifted from a staff position to a line position. His attitude toward his situation changed. He wrote a letter to Professor William Haber, University of Michigan on September 16, 1966. "You may be surprised that I am enjoying the managerial aspects of my work. I handled some of the major individual employee dispute cases with management. I review all such appeals cases for The Secretary. I am also involved in budget review with The Secretary, handling the appropriation bill, and major organizational changes. I never thought I would like it. But I do! Yet, I still hope to return to work, write, and teach policy. I think the wide range of my most recent experience will be helpful to my teaching."⁵⁴

On October 6, 1966 the President called a Cabinet meeting which Cohen attended instead of the Secretary. The Vietnam War was pressing on the financing of the War on Poverty. The

President was distressed with the negative reports in the press regarding the poverty program and the rise in the interest rates. He said that these stories should be balanced with other stories on the achievements of the several departments of the administration. The President wished to designate thirty-three Presidential appointees to make high policy speeches on the achievements of the administration. The Presidential appointees for the Department of HEW were Secretary Gardner, Under Secretary Cohen, and Ralph Hewitt, Assistant Secretary for Legislation.⁵⁵ Cohen had already compiled the laws passed from 1963 through 1966 for health, education, and social and economic opportunity. There were fifty-four enacted pieces of legislation from the Clean Air Act of 1963 to The Social Security Benefits at age 72 for Uninsured Individuals (Tax Adjustment Act of 1966).⁵⁶

Cohen gave some insight into the nature of his activities from both his academic and government posts in answer to a query from a professor of political science at North Carolina State University on October 20, 1966. The Professor wanted to know about Cohen's range of activities. Recall that Cohen had already been five years as Professor of Social Work at The University of Michigan, 1956-1961. Cohen answered that while in Michigan he had been active in the Democratic Party but his role was not that of an "organizer" but rather as a "braintruster". He was an advisor to Governor Mennen Williams, and Chairman of the Public Health Advisory Committee in 1957. On the Federal level he was the primary advisor on the implementation of the Kerr-Mills program in 1960. He added that his wife, Eloise, was a more active campaigner being both a precinct chairman (sic) in Ann Arbor and occupying other similar positions for council members and Mayor of the City of Ann Arbor. He also reported significantly: "I have never 'lobbied' in Congress for some particular interest group." He did testify before Congressional Committees as a representative of APWA (American Public Welfare Association)

of which he was a member but, “My testimony was always in accordance with my own personal views which coincided with those at the time with APWA.”⁵⁷ This is a very apt self-description of how he defined his role constantly. He first of all represented himself.

As should be clear by now Cohen was steeped in a profound belief in the idea and possibilities for progress to improve society. Rarely, if ever, did he acknowledge a sense of the tragic in life as is frequently expressed in Judaism and Christianity. At a memorial service on October 13, 1966 for a dear friend and colleague, Henry Lichtenberg, M.D., Cohen said,

Who among us mortals can say the meaning of this man? So many-sided, complex and yet subtle. Son and brother, husband and father, physician and advisor, friend, colleague and citizen. (Cohen quoted Albert Schweitzer from his *Light in Ourselves and Reverence in A Mirror Up to Medicine*, Edited by A.C. Corcoran M.D., C.M. Lippincott, 1961): Not one of us knows what effect his life produces, and what he gave to others; that is hidden from me and must remain so, though we are often allowed to see some little fraction of it, so that we may not lose courage. The way in which this power works is a mystery.

We wander through life together in semi-darkness in which none of us can distinguish exactly the features of his neighbor; only from time to time, through some experiences that we have of our companion, or through some remark that he passes he stands for a moment close to us as though illumined by a flash of lightning.⁵⁸

Having studied Greek civilization in the Experimental College at The University of Wisconsin-Madison, 1930-1932 Cohen may have been affected by the Ancient Greek sense of tragedy.

A few days later, returning to mundane reality, Cohen wrote a memorandum on October 24, 1966 to Joseph Califano, advisor to the President that Califano might relay to the President. Cohen reported that he had met all day on a previous Saturday in Washington with members of The Legislative Council of the American Medical Association. The Council formulated the legislative policy of the Association. Samuel Sherman, M.D., San Francisco, was the Chairman of the Council and was “very cooperative.” A range of topics was discussed: Medicare, Medicaid, and nursing homes. Dr. Hudson, President of the AMA was also present. He raised the

question concerning the philosophy behind President Johnson's recommendation that Medicare be expanded to include disabled beneficiaries. This was, however, to be discussed in greater detail at the next meeting.⁵⁹

The relatively congenial meeting with the representatives AMA described above was not characteristic of many members and officials of the AMA. Secretary Gardner requested Cohen to reply to a letter from Dr. Edwin S. Hamilton, Chairman of the Board of Trustees, Intrastate Postgraduate Medical Association of North America, Madison, WI objecting strenuously to a speech by Cohen. Cohen wrote an equally strenuous letter in reply to Hamilton:

In your letter you also expressed your 'resentment' of the paper that I prepared. You characterize the paper as an 'insulting' bureaucratic 'plug' for further expansion of government in areas of health. You are, of course, entitled to your point of view. I respect your right to criticize anyone, including any governmental official, and to voice your objections to any program or policy in any speech. However, I read my speech over again and I find it difficult to see how it could be characterized as 'a bureaucratic plug' for further expansion of government in area of health. It was intended to be a review of some of the needs in health. Moreover, in my speech I expressly stated that the health needs of the American people cannot be met by the Federal Government alone and all of the groups have a vital role to play in providing good health. We wish to work cooperatively with the medical profession.⁶⁰

A fitting ending to the busy year 1966 may be a memorandum to several members of the Department called The Years End Report which started out: "The year 1966 was of unprecedented significance for the improvement of health, education, and welfare for all the American people."⁶¹ The Report was telephoned to Kintner's Office, White House at 1:00 PM, December 30, 1966, i.e., the day before New Years Eve—

--The Medicare program was successfully launched. Two and a half million people were cared for in hospitals and three and a half million received physician services.
-- The Social Security program paid monthly benefits to 22 million persons, an increase of 1.2 million beneficiaries over 1965. It isn't generally recognized that this is the largest program to prevent poverty in the United States.
--Over seven million educationally disadvantaged children in elementary and secondary schools benefited from title I of the Elementary and Secondary Education Act.

-- Scientists from the National Institutes of Health developed the first effective experimental vaccine against German measles. As a result the incidence of this disease and the tragic birth defects associated with it can be brought under control in the not too distant future.

-- The National Teacher Corps was inaugurated and over 1,250 teachers began teaching in slum schools and isolated rural areas.

-- Over three quarters of a million students were helped to enter and stay in college through loans, work-study and educational opportunity grants.

-- Programs of enforcement and research to reduce air pollution were accelerated and broadened.

-- Opportunity to attend adult basic education classes was extended to all 50 states, and 375,000 persons are now participating in the program.

-- 170,000 disabled persons were rehabilitated for jobs.

The programs administered by the Department benefited in some way every man, woman and child in the Nation.

In the spring 1967 President Johnson was beginning his fourth year in office following the assassination of President Kennedy and his mandate as an elected president. In his own right, the Secretary of the Department of HEW was moved to make an overall appraisal of the current status of programs under his jurisdiction and further problems that needed attention. President Johnson had only two more years to go unless he would run for reelection in 1968 and win another four years of office. The Secretary asked Cohen, then Undersecretary and next in the hierarchy, to suggest some names of persons to discuss some key topics. Cohen not only suggested names but also key topics. The names Cohen suggested were a virtual Who's Who of people in Congress, the federal bureaucracy, and in private positions, in academia think tanks, and sundry private advisers on health and welfare. It is certain that Cohen knew them all personally. The names were familiar to anyone who was interested in the health and welfare field. Cohen listed thirty people and thirty topics, seemingly one person per topic. It was a stellar group.

The administration was under the heavy shadow of The Vietnam War which was relentlessly grinding on with no apparent victory in sight and which was threatening the budgets

for the War on Poverty. The Secretary and Cohen were looking to the future under “Priorities If Vietnam War Ends.”

A careful selection of topics may surface: 1/How to abolish poverty led the list, 2/educational needs for the next ten years, 3/changes in public assistance, 4/Medicare and Medicaid changes for 1968-1970, 5/ new mental health programs, 6/ the cities and the ghettos, 7/air pollution policy and research, 8/ alcoholism programs. ⁶² I do not know if the conference was ever held. If held it was likely an internal meeting to help the administration. At any rate the memorandum reveals deep concern within the administration.

In the same context Charles L. Shultze, chairman of the Council of Economic Advisers was setting up a conference on Economic Planning for the end of the Vietnam Hostilities. Cohen sent a memorandum to Shultze wondering why the Secretary of HEW had not been invited to discuss priorities since “health and welfare services will play a large part.” ⁶³

According to an exchange of memoranda and telephone calls between Cohen and Charles Shultze, the administration was anticipating hard times, but did not want to make this unduly obvious to the public. The problem for the administration was “Social Security and the Economy” - The title of Cohen’s memorandum to Shultze on March 23. The memorandum was a joint one from Cohen and Robert Ball, The Commissioner of Social Insurance. Their concern was with the negative political impact on the administration. Shultze was suggesting a benefit increase in Social Security pensions of 10 or 11 percent rather than the 12 ½ percent proposed by the administration. If the lower percentage would be the official one Cohen wrote:

...the president would be subject to tremendous criticism which would come most likely from the AFL-CIO and certainly be used by the Republicans as indicating that the president had to go back to the Republican point of view on this matter. I am not clear at this moment whether we could get a firm agreement from Mr. Mills that he would stick firm to a minimum 12 1/2 percent benefit increase. Moreover, if we did not succeed in

subsequently getting the improvements in child welfare services, child health and public assistance there would also be very great criticism from the welfare and health groups.

The other point which I mentioned to you is that I do not see how it would be feasible to keep the point from coming out that the Administration felt a serious economic decline was in prospect for the Fall. When this kind of a proposal was discussed with the other Democratic members of the Ways and Means Committee certainly someone would oversimplify the whole matter and I think the result could have very serious impact for the administration intensifying the pressure for increased appropriations for many other matters, such as elementary and secondary education, public assistance, and other HEW programs.⁶⁴

Cohen seemed to enjoy this kind of political crossfire.

During this same period Cohen took the time to send a memorandum to Donald Simpson, Assistant Secretary for Administration suggesting the creation of a position of historian for the department.⁶⁵ Cohen's interest in history never abates. His own voluminous archives are a testimony to it.

To celebrate the first anniversary of Medicare (July 1, 1967) Cohen wrote a memorandum to Douglas Cater of the President's staff on July 29 suggesting that if the President were to be in Texas that weekend he could visit Medicare patients in hospitals in San Antonio, Johnson City, Fredericksburg, and Austin. The most "personable" one, Lydia Schrank, was from Marion and in a hospital in San Antonio. There was no record that the President actually visited any patient, but it is likely that he might well have done so if he had the time."⁶⁶

Cohen wrote periodic overview of memoranda to the Secretary on "problems in American Society." A very overarching one was headed: "HEW Is Where the Action Is" written on July 6, 1967. The leadoff paragraph reads: "HEW is tackling some of the toughest, most persistent problems in American society which have evaded solution for a hundred years. We are developing ways and means to solve problems in the spirit of the quip – 'The difficult we do today; the impossible takes a little longer'."

The Johnson administration was at the height of its War on Poverty aspirations with legislation to show it, but President Johnson was becoming mired in the Vietnam War and inflation.

Cohen, however, appears undaunted as seen in the memorandum to the secretary:⁶⁷

“Here is where some of the toughest action is going on”:

1. Civil Rights. One of the major issues in our society is the elimination of all discrimination. He points out that more hospitals and nursing homes have eliminated discrimination in them in the past year than in the past 100 years. He also mentions the segregated schools.
2. Family planning. The “barrier of silence” has been broken.
3. Medicare and Medicaid. The ideological word “socialized” medicine has been broken.
4. Federal Aid to Education. To aid local education.
5. Air Pollution Control. Making some headway to find a technological solution.
6. Unlocking the Secrets of Life. Research in the biology of the lifespan.

Cohen continues with a litany of solutions: rehabilitation, fight against poverty, informing consumers how to make prudent choices, developing programs which stress individual rights and responsibility without encouraging “handouts” and “welfarism”.

The climactic summary of this memorandum deserves being quoted in full with the heading:

HEW Programs are Designed to Enlarge the Individuals Freedom of Choice.

“The persistent battle of the freedom of the individual versus the corrosive force of governmental centralism and dictatorship has to be fought out every hour, every year, by every generation. In HEW we are showing how our Nation can enhance the freedom of choice of the individual without centralization or dictatorship, with stimulation for private, local, and voluntary sectors. We are tackling every day the biggest problems of our society and doing something constructive about it.”

The foregoing does not mean, however, that Cohen had general agreement. He was very distressed with an editorial in the AMA News on July 17 and wrote to Samuel R. Sherman, MD in San Francisco on August 7, 1967. Cohen felt he had a good relationship with Sherman who was high in the AMA hierarchy and had talked with him in joint conferences with the AMA and HEW regarding Medicare and Medicaid. Cohen wrote: "Dear Sam, I was shocked at the July 17 editorial in the AMA News entitled 'A Dishonest Campaign' which impugned the motives of Bob Ball and President Johnson. In my opinion it's a damned dirty price of writing."

"As you knew we have been making every reasonable effort to cooperate with the AMA and the physicians of the nation to establish mutual trust and confidence in the administration of all medical programs. And then to attack Bob Ball in this way! I don't mind so much when someone attacks me unjustifiably. But I just won't stand for an unwarranted attack on my colleagues such as Bob Ball who is a dedicated, fair and able public servant." Cohen reported that Sherman responded: "I appreciate very much your giving me your views."⁶⁸

Not long thereafter Cohen had a letter from Roy E. Perkins, M.D., Director, Department of Healthcare Services, AMA, a rare letter from an AMA office on August 31, 1967: "While some members of my profession haven't been exactly lavish in praising your many noteworthy achievements, I want you to know that you have friends among the physician ranks, and that they are appreciative of the many years of dedicated public service you have given toward the advancement of health in our country. I hope that I can be of assistance to you in some way as we seek to realize common goals and objectives." Cohen replied: "over the years I have tried my very best to understand the ethics, economics, and professional aspects of medical care. I have a very high regard for the men and women who entered the practice of medicine." "There has been a good deal of misunderstanding over the objectives and legislative provisions, but I hope some of

this misunderstanding is now clearing up.”⁶⁹ Cohen concludes that he and his colleagues in the Department “are trying hard to be cooperative and sympathetic.”

Implementation of Medicare after the euphoria of its enactment and apparent reasonably good feeling between providers and HEW was beginning to irritate the providers when it came to actual implementation. Annoyed physicians were more or less expected, but discomfort on the part of hospitals was less expected. The American Hospital Association had been very cooperative as viewed by HEW staff.

Cohen spoke to Hospital Planners in Chicago, August 1967, and had dinner with the top leadership of the American Hospital Association. Cohen reported to the Secretary Gardner that Philip Bonnet, President of the Board of Trustees of the AHA said that the Secretary had made a statement at the White House to the effect that, “Hospitals had to be dragged into Twentieth Century regarding efficiency and new ways of doing business.” “Bonnet said this was not his idea of a good way to continue the dialogue that has been established earlier. In fact he said the dialogue had broken down. The hospital people were very pessimistic and frustrated. They had cooperated with us. The American Medical Association which had not cooperated with us in the enactment of the legislation [Medicare] was getting ‘everything it wanted.’ It seemed like the best thing for the hospitals to do was to be critical and recalcitrant - like the AMA- and they would get more from us.”

Cohen wrote that he proceeded calmly “to rebut and explain.” “The situation was very tense.” “I urged we reopen discussion whenever they wanted either at the technical professional level... or at the policy level... They wanted to do both. I suggest you [Sec. Gardner] see them at the appropriate point.”⁷⁰

Generally, Cohen was pleased with the professional manner the Washington Post handled welfare state news, but in August, 1967, Cohen was extremely irritated by an editorial in that paper August 20 entitled “Inequities Compounded.” He wrote a detailed rebuttal to the editor J.R. Wiggins trying to correct a great deal of misconception and misinformation in the editorial. The rebuttal is too long and detailed to summarize. It dealt with the usual criticism that Social Security insurance was not really insurance because it was not based on any contract related to a legally guaranteed reserve fund. Also, the young workers were paying in more than you get from the pension fund when they retired many years in the future for they were making up for deficient contributions from management and workers who had entered the labor market too late in life to build up sufficient reserve. Cohen rebutted in part: “The editorial fails to take into account that the benefits provided by the present law are very much lower than the benefits that will eventually be paid when today's young workers reach retirement age. As wages rise - as they have throughout the history of the country benefits can be increased without increasing the contributions role (emphasis, Cohen). This is because the contribution is the percentage of payroll and because as wages go up income to the system increases more than the corresponding liability.” Further, Cohen adds, “... social security provides not only retirement protection but also survivors, disability, and hospital protection.”⁷¹

From the beginning of social security in 1935 there has been a constant clash between two philosophies -- (1) a “social contract” mixing fewer insurance and welfare (public assistance) and a legal contract guaranteeing fixed payments based in a clear reserve fund. This clash has really not been resolved to this day, the private insurance concept is too ingrained in popular thinking. The government is not sufficiently trusted to deliver if there is a deficit.

Cohen was a data monger. His advice and views were based on facts. Americans as a whole are data mongers. They are near to having a belief that facts speaks for themselves. In September Cohen wrote two memoranda to Joseph Califano, Jr. Special Assistant to the President about improving the data the federal government for welfare state policy purposes. In the first one September 1, 1967, he suggested that the impending 1970s census should gather information on training programs-duration, when started, degrees and certifications, public and private. Given the increase in immigration from Mexico he wanted information to assure identification beyond language spoken in the child's home. He wanted sources of income of the entire population other than wages such as social security pensions, public assistance and private pensions. For education he wanted the number of children and youth not in school, and lastly disability by type.⁷²

A few days later, September 21, 1967, he wrote that the Census Bureau should be moved from the Department of Commerce to the Department of Labor and coordinated with the Bureau of Labor Statistics. The reason was: "The Commerce Department is so washing-machine and television oriented to marketing and trade matters that is difficult for them to understand the importance of social policy questions relating to dropouts, income, transportation, etc."⁷³

The insurance-payroll deduction concept -- -the direct income tax- general revenue concept was also argued among more liberal policy makers. Cohen had a good friend and colleague in economics, Joseph A. Pechman at the Brookings Institution who felt that Cohen was riding the insurance horse too much. Cohen wrote to Pechman: "[I] suspect that you probably do not want to utilize the insurance emphasis because of your strong support for general revenue in the program. However, in my opinion there is absolutely no inconsistency in having an insurance program which has general revenue financing.... "I happen to believe that utilizing insurance approach is (emphasis, Cohen) what makes Social Security acceptable and understandable (emphasis, mine) to

the public and the congressional committees. Moreover, general revenues to the system will make the program less understandable unless there is an intelligent and acceptable rationale that is wholly consistent with the maintenance of an insurance program pays benefits as a matter of statutory right without a means test. (Emphasis, mine).”⁷⁴ Pechman, being an economist did not like ambiguity. Cohen, a mixture of social scientist and politician was not at all bothered by playing with words for their practical effect.

It seems that there was a pervasive skepticism in the country particularly among conservatives that poverty would be abolished as envisioned by the Johnson administration and Cohen. One person, Rabbi Chaim U. Lipshitz, Editor of the Jewish Press in Brooklyn, New York who was in gentle disagreement that poverty could indeed be abolished. The Rabbi sent a note to the Honorable Wilbur Cohen concerning his speech on poverty. Cohen wrote back: “You refer me to Deuteronomy 15:11 and quote the part ‘For poor shall never cease out of the land...’ but my dear friend you neglected to quote the rest of the sentence which reads. ‘Therefore, I commend thee saying: ‘thou shalt surely open thy hand onto the poor and needy brother in thy land:’”

“What I interpret this to mean is that there will always be men and women who became poor because they became disabled, sick, or lose their crops, jobs, business, or money, or women who became widows, or children became orphans. But we who are more fortunate are commanded to help them so they can come out of poverty into independence. Thus, I see no conflict between Deuteronomy and the movement to eliminate poverty. The program to eliminate poverty is simply a recognition of the fact that when poverty occurs it can be dealt with by a program established to handle the problem.”⁷⁵

Cohen would unburden himself to long and close friends. Elizabeth Wickenden was one of them, she had labored long in official capacities to further social insurance and welfare. Cohen

answered her letter to him of October 19 in which she is quoted as observing “evil times are here you say?” The Johnson administration is being besieged by many events -- inflation, the Vietnam War, slowly moving War on Poverty legislation. Cohen:

I have never experienced frustration as I am now. Yes, in the Eisenhower administration there was a frustration borne more of neglect and apathy. Now the frustration on a real high level. Everyone wants to do something but can't get enough others to join in and get it done. You've put your finger on it as they were torn apart-but on so many issues.

This has been the most difficult legislative happening in my 33 years of experience. I go home each night with that thought in my mind that this is the last time! Nobody really appreciates the plight of the intermediary in the legislative process. Everyone wants to be the one who takes the position ‘as a matter of principle.’ I feel sometimes like I am negotiating a peace settlement between Israel and the Arabs.

The Senate Finance Committee should report out a bill in two to three weeks. [Apparently the freeze on the AFDC payments] I think there will be lots of changes in the Senate, some of which you may like. But Chairman Mills [committee on Ways and Means] and John Byrnes are very angry with Secretary Gardner and me for testifying in the Senate for the changes we recommended. And he so told LBJ. So it goes, I probably am in the three dog-houses at the same time. But I am not worrying about it right now. What happens during the next one, plus four years bothers me more than anything else.

(Cohen refers to President Johnson's last year as an elected President, and will he run again?)

The issue of AFDC payments was brought out by a memorandum from Cohen to Wilbur D. Mills on December 11, 1967. He pointed out that the opposition to the AFDC “freeze” and the elimination of Senator Ted Kennedy's amendment which permitted mothers with children to decide whether they should be referred to work or remain solely on AFDC is intensely opposed among many people in voluntary and religious social welfare agencies, the Dean's of Schools of Social Work state and local welfare administration, Negro *(Cohen's term as of 1967)* organizations, and civil rights groups:

The possibilities of political exploitation of the issues in an election year by the liberal Republicans and the Democrats who are critical of Pres. Johnson as well as by the welfare groups and civil rights organization are very great. The opposition will be based on the belief that the provisions are anti-Negro and have a racial basis and are against motherhood, family and children. They will get sympathetic support from Governors, Mayors; State legislators will have to raise more money (emphasis Cohen) to finance the program.”⁷⁶

Cohen and Gartner recommend to the president the modification of the ‘coercive’ provision to make mothers with young children work against their own decisions to stay home.” (Recall that the AFDC provision was meant to pay mothers to stay home with their children.)

Despite Cohen's distress with the times, in public speeches he remained buoyant. In his acceptance speech on receiving the Rockefeller Public Service Award at a luncheon in Washington, DC on December 6, 1967 he said: “The decade of the 1960s has been one of the most innovative, productive and significant in the history of our government. It is true that the United States is going through a difficult period of discussion about the values, goals and its role in world affairs. There is much to be criticized but much more to applaud in our national life than our press and television bring to our attention. The ferment and frustration that we see is mixed with the new ideas bursting into being with unlimited opportunities for those who wish to develop them with new programs which are taking root and will flower in the decade of the seventies.”⁷⁷

Turning back to a memorandum sent to the Secretary on November 2, 1967 with the title: “Some topics for discussion in 1968,” he listed fourteen “priorities” embracing the social insurance, welfare, and economic universe starting with sustained economic growth and prosperity, increased savings, home ownership, and Social Security, income maintenance and improvement, increase in arts and culture, cleaner environment, improvement in conditions of minority groups and so on and on.⁷⁸

The Johnson administration moved into what proved to be a turbulent 1968 -- the continuing Vietnam War, the poor People's March on Washington, the continuing implementation of the Medicare act of 1965, the floundering War on Poverty and concerns about

whether President Johnson would run for a second term. Further Cohen was designated by the President to become secretary of HEW--a controversial appointment.

Cohen, nevertheless pressed on in a memorandum to Joseph A. Califano, Jr. of the White House staff on March 6, 1964 for incorporation in the President's message at the beginning of the year entitled Health in America. He pulled out all stops:

1. to examine every child under the age of five to identify potentially crippling ailments and provide early and effective treatment,
2. to use the public airwaves for public profit by offering health programs on TV and radio,
3. to give prominent magazines and newspapers coverage to good health practices for our children and older Americans.
4. to identify and reward new approaches by medical societies, group practice organizations and hospitals for delivering better care of lower-cost,
5. to expand voluntary Hospital insurance to those not covered,
6. to establish local systems of new incentives to recruit, train, retain corpsmen leaving the Armed forces and other members of the healthcare team.
7. to make health care part of the education of every young girl in all the schools of America.
8. to encourage the opening of health centers to provide complete health care in every community,
9. to make physical fitness programs and recreational facilities available to people of all ages and all walks of life,
10. to alert teenagers and their parents to the dangers of drug abuse,
11. to develop better programs for health services for the one-third of the working poor who suffer from chronic illness and
12. to mobilize a new spirit of public concern and private action to meet and master our health problems.

Cohen wound up in his usual optimistic stance: "I believe there now exists in the health community a new climate of public-private cooperation and partnership-something that stands in sharp contrast to the situation prior to the passage of Medicare. This new spirit results from increased communication between the Department, our professional organizations and the public."⁷⁹

Cohen may have overestimated the "improved communications" between himself and the medical profession. The president had to send a form letter prepared by Matthew B. Coffey of the White House staff dated March 15, 1968 to physicians mainly, but many others as well protesting Cohen's nomination to the position of Secretary. The letter read in part: "The President has asked me to thank you for your recent letter expressing your opposition to the possible

nomination [approval by the Senate] as Secretary of the Department of Health, Education, and Welfare.”⁸⁰ It would seem that presidents do not have to use this mass method often.

An example of an irate physician was Charles F. Row, M.D., American Association of Physicians and Surgeons, Chicago Il., who sent a round-robin letter to many physicians. Bulletin No. 3-68. “Stop the Appointment of Wilbur J. Cohen as Secretary of HEW.” This bulletin was sent to Cohen “by various persons.” Cohen wrote a bristling letter to Row:

I am a strong believer in the constitutional system of our country and believe you certainly have the right to oppose my appointment to any position. I believe unqualifiedly in the First Amendment to the Constitution which protects freedom of speech and the right to petition the Government.

Your bulletin, however, contains a number of misstatements, among which are the following:

1. I am not a socialist.
2. I am not in favor of hospitals being controlled by the Federal Government.
3. I do not stand for a decadent system of medical care.
4. One of my fondest dreams is not eliminating fee-for-service and having physicians function as salaried employees.
5. I did not go to Japan and stump for socialized medicine.
6. I am opposed to the socialization of medicine.

I want you to know that I believe in “quality medical care” and the “practice of private medicine.

I trust that in the interest of fair play and in your belief in the Constitution you will bring these facts to the attention of the persons whom you sent your bulletin.⁸¹

Another example came from a businessman in Sevierville, Tenn., A.C. Heinsohn criticizing Social Security. Cohen answered heatedly:

Your letter of January 16, 1968 to a number of Congress has been sent to me. Your letter contains the heading ‘History’s Greatest Swindle: Social Security.’ Your reference to Social Security, in my opinion, is untrue, unfair, irresponsible, and inconsistent with what the leaders of business, labor, and the general public have said about the Social Security program. In your letter, you quote a statement from Mrs. Marjorie Shearon. Her statement contains errors, inaccuracies, and is biased, prejudicial, and erroneous.⁸²

Shearon surfaced as well, the previous year, 1967 in a book aimed at Cohen entitled:

Wilbur J. Cohen: The Pursuit of Power, published by herself in Chevy Chase, Maryland. Cohen

was the centerpiece of allegations that included literally everybody connected with the creation of the Social Security Act and the Medicare act. It was a Who's Who. They are all familiar names and too numerous to be listed here. They were listed under the title of Subversive Activities with a vignette each of their connections with political activities and organizations. All were branded subversives including my own mentor Nathan Sinai, Professor of Public Health, University of Michigan. Shearon's net was so all encompassing that she discredited herself completely. She was a loud echo from the Senator McCarthy period of the early Fifties who pointed out alleged communists in the government bureaucracy during the Eisenhower Administration. She wrote (p.256): "Several persons have served as Cohen pawns in stacking advisory councils and other policy-writing groups" Cohen, however, had been completely cleared of subversive activities in the routine security checks of all appointed government officials.

While engaged in the foregoing crossfire Cohen perforce became involved in the Martin Luther King's Poor People's March on Washington, D.C. He received a memorandum from Peter Lebassi, Director, Office for Civil Rights to Cohen on March 29, 1968 on the status of the march. Lebassi requested that Cohen respond to the march sympathetically. The cafeterias should serve them, amenities should be available, there should be signs in Spanish as well as English and so on.⁸³

A good close-up of Cohen's behavior in the Poor People's March was provided by A. Sidney Johnson, then Cohen's assistant during the latter part of the Johnson administration. Johnson reported to me in an interview that several hundred protesters, mostly blacks marching on Washington, wanted to see relevant top government officials in the agencies, but they were usually rebuffed by second line personnel who were meeting with them. The protesters wanted to

see Cohen, the nominee for secretary of HEW and currently Acting Secretary. The protesters were pushing into the vestibule of the HEW building. Cohen came down from his office and personally directed them to the auditorium where he would make a statement and answer questions. He said that they had a right to be there. As citizens it was their building. This cooled them off.⁸⁴

On top of all this on March 31, 1968 Pres. Johnson announced over national TV that he was not going to run for President in 1968. Cohen apparently withheld any comments of his own on the announcement until December 14, 1968 near the end of the president's term as well as Cohen's own politically appointed job. However, he was shocked at the time of the announcement and had no inkling that the president was contemplating not to run. He wrote a letter "to the editor" of the Readers Digest describing his visit accompanied by his wife Eloise with the President in the White House after the President's announcement:

Immediately after the television broadcast in which Pres. Johnson announced he would not run for President, my wife and I drove to the White House to see the President. We wondered what we could say, how to say it, how it would sound. We could not decide on the words. When we came up the elevator and walked into the room where the Commander-in-Chief was sitting, we were filled with anxiety. We waited nervously, not sure when to speak or what to say under these unprecedented circumstances. The President put down the telephone, and he spoke in an excited voice immediately. 'Wilbur' he said, 'I absolutely and completely forgot when I appointed you to the cabinet that your wife was from Texas. Now the Press will say I appointed you only because of that.' I laughed and said, 'Mr. President, I thought that was the only reason I got the job.' We all relaxed.⁸⁵

The Poor Peoples March produced a lengthy memorandum from Cohen to President Johnson on May 2, 1968. He conferred in the meantime with the representative of Rev. Ralph David Abernathy the leader of the March and President of the Southern Christian Leadership Conference on three separate statements regarding health, education and welfare submitted by Abernathy. Cohen wrote, "We believe we can probably implement administratively (emphasis

Cohen) several of the demands in each of these three areas.” Administratively managed meant that the President did not have to go to Congress for implementation but could shuffle around programs already approved.

However, Cohen advised the President to consider the following major policies based on Abernathy’s demands that required action by the Congress:

1. Health - Medicare should be extended to cover the disabled, childbirth and the first five years of the child's life, and prescription drugs.
2. Education - the administration should abolish the “freedom of choice” [of schools], but this would be vigorously opposed by Southern Congressmen and Senators. “We may want to consider appointing a public commission to report on whether and how freedom of choice could be abolished by the 1969-70 school year.” The Attorney General needs to be consulted.
3. Welfare - Cohen believed that the Supreme Court would probably invalidate residence requirements and the so-called “man-in-the-house” rule shortly. (The man-in-the-house rule applied to Aid to Families of Dependent Children for widowed or single mothers whose fathers had died or had deserted.) Cohen requested permission to discuss with Wilbur Mills the “possibility” of considering a completely Federal system of welfare (emphasis, Cohen) with 100 percent Federal financing and administration. (The federal-state public assistance programs were very uneven as to cash benefits, residence requirement, and income requirement).

On a general note Cohen wrote: "Many of these demands involve consideration of what increases and priorities you will recommend in your 1970 budget. In view of the forthcoming cuts in the 1969 budget, I intend to recommend to you selective rather than

across-the-board cuts for 1969 and some selected and significant increases in 1970 Budget particularly for education and health services for the disadvantaged." ⁸⁶

Even during this turmoil Cohen attended to usual concerns. He wrote a memorandum on May 1, 1968 revealing his usual concern with the public image of HEW. He admonished agency heads to answer mail promptly and, if not, tell why when answering: "There are few things more damaging to the stature of the Department than failure to answer the mail. Please make a major effort in this important matter." ⁸⁷

And on May 7, 1968 Cohen attended to family responsibility matters by writing to his tailor in Baltimore, Harry Lazarus, I.T. Swartz and Sons Inc. "I would like to order two pair of pants for my son Stuart – waist - 29 inches, trouser length - 28 inches. Dark black material is satisfactory. The material does not need to be identical for both pairs." ⁸⁸

On June 18, 1968 Cohen responded to Rev. Abernathy's question as to what HEW was doing for the poor. It was a follow-up to the protest activities in March. Apparently fast action was expected. Cohen's response was lengthy but reminding Abernathy that time was needed. Cohen also met with Abernathy's representatives of the poor discussing such issues as the AFDC freeze, compulsory aspects of the going to work incentive program, and participation in planning. ⁸⁹

In 1968 Cohen co-edited (along with Sar A. Levitan and Robert J. Lampman), a book of essays on the status of the welfare state. The book was sponsored by the Industrial Relations Research Association. Cohen contributed an essay entitled "Economic Security for the Aged, Sick and Disabled: Some Issues and Implications." He wrote:

What do these data suggest in the provision of economic security for the sick and disabled. As with the provision of economic security for the aged, OASDHI is making noteworthy contributions to income protection for many of the sick and disabled. Nevertheless, the data suggest that its contribution should be increased. Is economic

security provided if 30 percent of the disabled beneficiaries are poor despite the benefits, if 2 ½ million people are poor because family heads were disabled year-round, if less than one-fifth of the estimated income loss from non-occupational short-term sickness and disability is replaced by payments from all sources of income protection? This review yields a negative answer.⁹⁰

Cohen went on to observe that state workers' compensation private disability insurance programs have "vast gaps and show little promise of solving the problems in the immediate future." What is necessary is expanded coverage under OASDHI if the number of disabled poor is to be reduced or eliminated. Then he listed a series of issues such as the adequacy and equity, benefits levels keeping up with changing economic conditions, how benefits could be financed and the respective roles of Social Security and private pension insurance plans. He ended on his usual optimistic note. "Americans can be proud of the public-private framework that has been constructed in the last three decades. While some gaps remain in the framework, the goal is being approved and Americans show no sign of wavering in their resolve. For this very reason economic security for the aged, sick and disabled will continue to be improved in the years to come."⁹¹

The Johnson administration was at the peak of the War on Poverty Program in 1967 when Cohen wrote this essay. A year later Johnson was presiding over reductions in the federal budget due largely to the Vietnam War. In any case Cohen's objective made public in the latter Fifties to eliminate poverty was still alive in his mind in the Sixties and continued to haunt him in the face of budget cuts. Homer J. Larkin from Memphis, Tennessee wrote Cohen a letter on June 4, 1968 remarking that poverty had not been eliminated according to Cohen's predictions in 1957. Cohen replied in a long letter a few weeks later to an apparently curious citizen:

You are absolutely correct in your observations that poverty has not been eliminated in this country. But I still hold to the 1957 statement that it is within the financial competence of the United States to abolish poverty within 10 years. It was then, as it is today. The reason that poverty has not been eliminated is not because the United

States has lacked the financial capacity to do so. It is currently estimated, for example that it would take about \$10 to \$12 billion - an amount that represents about 1-1 ½ percent of our GNP - to abolish poverty in this country. The reason that poverty still exists in this country is that the nation has not committed itself, over a long enough period of time, to the type of programs to complete this task.

A combination of approaches is required to reduce and eliminate poverty in America. Continued economic expansion, sound income maintenance programs, expand the manpower and job training efforts, and high-quality education for all youth with special emphasis on the disadvantaged are some of the approaches that must be used.

But during the middle and late 1950s these approaches were not receiving adequate attention or sufficient funding. In this period the administration in power [Eisenhower] did not recommend and the Congress did not pass significant legislative proposals designed to reduce the extent of poverty. It was not until the early and middle 60s that the administration proposed and the Congress authorized comprehensive programs of this type to combat the problems of poverty. It was not until 1964 that poverty program was passed, not until 1965 Federal aid to elementary and secondary education was approved, not until 1965 that Medicare was enacted, and not until 1965 and 1967 that significant increases were made in Social Security benefits.

These recent efforts have had a substantial effect on reducing poverty. For example, the benefit increases in the 1967 amendment to the Social Security act removed one million persons from poverty. (As measured by the BLS poverty index). Between 1960 and 1967, about 13 million persons have been lifted out of poverty. The percentage of Americans living in poverty has been reduced from 22 percent in 1960 to about 14 percent in 1967. This represents significant progress. While poverty is still a serious problem in America, I am convinced that we are building a framework in the 1960s that will lead to the reduction and elimination of poverty in the near future.⁹²

This is a good summary of the Johnson administration years soon to come to an end.

How did Cohen manage to stay in the Johnson administration eventually as a cabinet member given the President's attempt to carry on the Vietnam War to victory? How did Cohen reconcile himself to this official policy? A. Sydney Johnson referred to earlier had been Cohen's assistant before he was elevated in the HEW hierarchy told me in the aforementioned interview on May 2, 1991 in Madison the following: One of Cohen's sons, most likely the eldest, Christopher, asked his father about the Vietnam War and was disturbed by the policy supporting it. At the end of a long cabinet meeting Cohen reported to the President and the other cabinet members that his son was distressed with the Vietnam War. The President continued the cabinet meeting for another hour and delivered a heated, impassioned, and incoherent monologue. Cohen

was astute enough to use his son for this purpose. Of course, both the President's and Cohen's positions would end in six months.

In any case, on July 16, 1968 Cohen answered a letter from a friend whom he addressed as Paul (Osterman) from Chevy Chase, MD. Cohen wrote:

“The heart of your letter appears to be this question: How can I in good conscience, work for and support and administration that is waging war in Vietnam?” I quote the rest of the letter in its entirety:

I serve in his administration because President Johnson has done more for the health, and education and the social security of American citizens than any other president in the history of the United States. The president's legislative record in these fields is unprecedented and unequalled, as is, for example, the progress his administration has made in reducing poverty, lowering the infant mortality rate, and strengthening educational programs.

Given my experience and skills, I am convinced that the most significant contribution I can make to extending this progress will be by doing the very best job I can as Secretary of the Department of Health, Education, and Welfare.

Some would argue that the constrained budgetary climate or other circumstances make social progress impossible or at least improbable at this time. They would contend that at present the Congress and the country are not prepared to support the passage of new progressive legislation. But, in my judgment, future social progress can be influenced just as much by the decisions that are made this year concerning new and better ways to extend the 250 some programs this Department is responsible for, as it will be influenced by the decision that were made in 1965 about what legislative proposals should be presented to the Congress.

What I am saying in this: Important decisions that will affect the present and future well-being of all citizens including you and my wife and sons, their friends, your friends and my friends are being made daily in the Department. The groundwork for social progress is being laid today. Just as importantly, battles are being fought to defend current legislation from regressive amendments that could hinder future social progress. Someone must carry on these important tasks.

I choose to participate in and contribute to these decisions. I choose to play a role, as best as I can, to work long and hard within the governmental structure to attain the very highest level of social and economic progress that is possible.

That is where I believe I can help most.

I fervently hope and pray that a peaceful settlement to the Vietnam conflict can and will be found and that our moral, human and financial resources now devoted to that conflict can be redirected to our nation's pressing social needs. But whether this occurs immediately or at some later time, I intend to continue dedicating my energies and

abilities to improving the quality and effectiveness of the programs this Department administers for the 200 million American people—including you.⁹³

Cohen had been appointed as chairman of the Task Force on Education, an internal Task Force. The Interagency Report was released on September 3, 1968. It dealt with the broad and deep problems of education in the United States such as priorities within the budgetary resources: library services for the disadvantaged, teacher education, services for the handicapped, adult education for those who have no high school diploma, urban high school education, particularly inner cities, and teacher-school board negotiations. This seemed to presage his move back to the University of Michigan in early 1969.⁹⁴

In November, 1968 he jested in a letter to Lawrence N. Bailes, Cambridge, MA. who asked, “Why does a Secretary do what he does and why does he see who he sees?” Cohen answered that, “It is what comes to the top of the pile. How things come to the top of the file is, of course, something we can’t put down on paper but feel in terms of experience.”⁹⁵

Uncertainty was increasing because of President Johnson’s decision not to run again for president in 1969. Nevertheless the Poverty Program was in full swing although facing budget cutbacks. Nevertheless, James Gaither, connected with the Job Corps and Head Start Programs, sent a memorandum to Joseph Califano, Jr. of the White House staff reporting on the status of these two programs on December 2, 1968. It seemed quite promising. The question was raised whether or not to transfer from Head Start reporting directly to the President or put in another agency. Head Start was a pet project of the President. The report stated that for the Fiscal Year 1969 \$5 million was set aside for the operation of 36 field experimental Parent and Child Centers. Thirty were in operation. All were experimenting with different approaches to the problem of the poor families with very young children. Research had shown that programs

directed toward the maximum development of young children below the age of three can be highly effective. Since 1964 1,700,000 children had been involved.⁹⁶

To help the President in preparing for the State of the Union Message in January 1969, Cohen wrote in his memorandum to the President on December 10, 1968: 1. Recommend that all income from lease or royalties on shale oil be put in a perpetual Trust Fund for education. 2. Recommend that when each child is born the Federal Government will put \$50 in a bank for the child and an additional \$1 for each dollar put into the account by anyone up to the \$50 additional a year for the first six years of the child's life to be used for the child's education 3/ Earmark 1%, 2%, or 3% of an additional surcharge for education in a separate Trust Fund.”⁹⁷

This memorandum was followed two days later by one to Harry C. McPherson, Jr., on the President's staff as to the style of presentation the President should adopt. It is worth quoting in its entirety for it was the last State of the Union message the President would make. The memorandum reads:

I had thought the President would deliver his State of the Union Message in person and I still think it highly desirable. I believe it is more dramatic and means more to people for the President to appear before the Congress than to just appear on the television. Moreover, President Johnson looks and acts better before the Congress than when he is alone on TV. He responds to the applause and the environment he knows and loves.

The State of the Union Message, it seems to me, should state broad longer-run goals and objectives and not deal with specific legislative proposals or shorter-run aims. After a review of our international and defense situation, the President should discuss our domestic situation and general methods of dealing with it, improving our cities, expanding health and education, making Federal, State and local government more effective, the need for reform of the welfare system, continuing our efforts to eliminate discrimination, a bill of rights for the elderly and our children and youth, elimination poverty, protecting the consumer, etc.

The major theme of the Message I would recommend is: Improving the Quality of Life.

We want better incomes and housing for all our people, better health and education, better nutrition and many other things but overall what we want is the steady improvement of the quality of life, with more choices for people, more options and alternatives to realize their full potential. We need clean air, clean water, beautification,

art galleries, museums, music, symphony concerts, to enable people to feel and know the sense of living fully and creatively. That is the kind of message I would like to see my President deliver to the American people. A message of hope and aspiration, lifting our visions higher and higher, less materialism and more quality to our lives and our society. More responsibility and fewer people throwing tin cans on the roads and littering the streets. More participation in all institutions.

That is why I would like to see the President deliver the Message in person. Leave all the nitty-gritty to the Economic Report. Spell out the particulars in the Economic Report and the Budget Message. These two reports can be expanded as much as needed. But the State of the Union Message should be a ringing document that will set the stage for the Presidency and the Nation for the remainder of the century. It can build on the idea that 1976 is the 200th Anniversary of the Declaration of Independence and cast a light on the beauty and magnificence of the United States and its historic role in bringing freedom and opportunity to millions.⁹⁸

On December 17 1968 Cohen wrote to Johnson commending him for his support of progressive legislation:

As President of the United States for five years you have been responsible for the enactment of more far-reaching progressive social legislation than any other President in American history.

It is not merely the quantity of these remarkable legislative achievements, it is also the depth, the range, and their importance to the people of our great Country. Boys and girls yet unborn will benefit from your vision, your leadership and your emphasis on social justice.

Ours is a great and growing country. We have a dynamic economy and a highly motivated and productive people. You have helped to build that more productive and more just society. As the history of our Nation unfolds, there will be vast improvements which will be built upon programs which you initiated and piloted through the Congress.

Mr. President, the health and education of our people is our greatest wealth, the foundation of domestic tranquility and happiness. Future generations can build upon what you have created and molded.⁹⁹

On December 27, 1968 with a very few days remaining on his appointment as Secretary and on official stationary, Cohen wrote to the editor of the Wall Street Journal apparently with the idea of retaining his media connections:

As I complete 8 years of public service in Washington and return to private life, I want to tell you how valuable the Wall Street Journal was to me in my work. Your news stories in my field were excellent. Usually Jonathan Spivak's stories told me about activities in my Department which I did not know about. And his reports are of outstanding accuracy and depth. Keep it up.

Often your editorials were to me so wrong and out-of-date with social needs that they encouraged me to propose new solutions to old problems. The more conservative your editorials the more my colleagues and I urged our supporters to prove you wrong.

So see how valuable you have been to us old-fashioned liberals: You supply us information we need to reform society and stimulate our chemistry to continue our efforts to make the Great Society a reality. I will continue to read you as a professor so as to stimulate my students to the same end.¹⁰⁰

On January 8, 1969 Cohen wrote a poignant letter of resignation to President Johnson who was concluding his term as President.

I hereby tender my resignation as Secretary of Health, Education, and Welfare effective at your pleasure but in no case later than January 20, 1969. It has been an honor and privilege for me to serve in your Administration and to serve my country which I love so much. Boys and girls yet unborn will have a better education, better health, and more security as a result of what you and your Administration have accomplished.

My father came here from Great Britain as a small boy. Both my paternal and maternal grandparents found a haven of freedom and opportunity in this country. I spent my boyhood in Milwaukee and my University days in Madison, Wisconsin, where I learned from great teachers that public service is the greatest privilege and the highest duty. I have tried to remain true to those teachings.

I return soon now to teaching and social action where I hope to encourage young men and women to join in that ever challenging quest for a more just and more beautiful society. Justice and beauty have ever been the goals of leaders of the State since the time of Plato. I hope the quest will never cease. I hope we can encourage young men and women to continue the quest now. Accept, Mr. President, my best wishes for continued health and happiness for you and Lady Bird.

Eloise joins me in sending you this testament of our high regard and friendship.¹⁰¹

On January 20 he wrote to his wife Eloise, his father, and his brother as he was about to leave post as Secretary. At the archives in Madison, Wisconsin he deposited a little about his friendship with his family. To Eloise: "Dear Eloise: As I leave the office of Secretary of Health, Education, and Welfare, I think of how much it has meant to me that all during this period you always gave me your support and understanding. The eight years I served Presidents Kennedy and Johnson have been eventful years for the Nation and for me. They will be duly summarized in the history books of the future. But for us in our family, it has meant a shared experience. I want you to know how grateful I am for all you have done to help me."

To his father he simply wrote: “As I leave the Cabinet, I want to tell you how grateful I am for all you did for me as a boy and a man. Without your help, I could not have accomplished what I did.”

To his brother Darwin Huxley, again simply: “As I leave I want to tell you how grateful I am for all your help and support over the years. It is wonderful to have such a fine brother.”¹⁰²

During the period since the President had announced that he would not seek another term on March 31, 1968, Cohen had been wondering about his next move. It seems he had a number of offers, but he also wanted some time off before taking another job. The University of Michigan wanted him back but this time as Dean of the School of Education beginning in the Fall of 1969. Cohen wrote to his good friend, Morris B. Abram, President of Brandeis University on January 14, 1969 about this, having no diminution in zeal and energy: “I have come to the conclusion that something must be done to completely overhaul the entire education structure and the best place to start is in the outmoded School of Education [including Michigan]. Bill Haber has persuaded me that this is the place where I could probably do the most good but probably there is the greatest chance of failure.”¹⁰³ Cohen was 56 years old that year. Now off to the University of Michigan.

References

1. WJC Papers, Box 125, Poverty 1963-1968. (Wichenden material) 1963-1964.
2. WJC Papers, 1962-1964 Folder Chronological Correspondence, January 1964.
3. Ibid.
4. WJC Papers, Reports Poverty Program 1964, 1968, Box 4, L.B.J. Library, Austing, TX. Essentially the same as in the published report in Social Security Bulletin. December, 1968.
5. WJC Papers, 1962-1964 Folder Chronological Correspondence, February, 1964.
6. WJC Papers 1962-1964, Folder-Signers' copy, February 1964.
7. WJC Papers, 1962-1964 Folder Chronological Correspondence, March 1964.
8. WJC Papers, Cohen-Memorandum to Subcommittee Members, April 1, 1964. 1962-1964 Folder Signer's Copy, April 1964.
9. Ibid.
10. WJC Papers, Memorandum to the Secretary, April 1, 1964. 1962-64 Folder Signer's Copy, April 1964.
11. WJC Papers, 1962-1964 Folder Chronological Correspondence, April, 1964.
12. WJC Papers, 1962-1964 Folder Chronological Correspondence, May 1964.
13. Ibid.
14. Ibid.
15. WJC Papers, 1964-1965 Folder Chronological Correspondence, July 1964.
16. WJC Papers, 1964-1965 Folder Chronological Correspondence, August 1964.
17. WJC Papers, 1964-1965 Folder Chronological Correspondence, October 1964.
18. WJC Papers, 1964-1965 Folder Chronological Correspondence, November 1964.
19. WJC Papers, 1964-1965 Folder Signers of Chronological Correspondence, November, 1964.
20. WJC Papers, 1964-1965 Folder Chronological Correspondence, November 1964.
21. WJC Papers, 1964-1965 Folder Chronological Correspondence, December 1964.
22. Ibid.
23. WJC Papers, 1964-1965 Folder Chronological Correspondence, January 1965.
24. WJC Papers, 1964-1965, Folder Chronological Correspondence, March 1965. The political maneuvering behind the scenes are inadequately described in this memorandum, but I hope sufficient for my purpose. Those wishing a very detailed account should consult Sheri I. David, *With Dignity: The Search for Medicare and Medicaid*. Westport, Connecticut, Greenwood Press, 1985. (Contributions in Political Science No. 132, the entire book is worth reading, but especially chapter 8, The Three-Layer Cake).
25. WJC Papers, 1964-1965, Folder, Chronological Correspondence, March 1965.
26. Ibid.
27. WJC Papers, 1964-1965 Folder Chronological Correspondence, April 1965.
28. WJC Papers, 1964-1965 Folder Chronological Correspondence, May 1965.
29. WJC Papers, 1964-1965 Folder, Chronological Papers, April 1965.
30. WJC Papers, 1964-1965 Folder Chronological Correspondence, May, 1965.
31. WJC Papers, 1964-1965 Folder Chronological Correspondence, July 1965.
32. Ibid.
33. Ibid.
34. WJC Papers, 1964-1965 Folder Chronological Copy, August 1965 (a).

35. LBJ Papers, Task Force Report, Box 10, LBJ Library, Austin, TX.
36. WJC Papers, 1964-1966, Signer's Copy, September, 1965.
37. LBJ Papers, Op. Cit.
38. LBJ Papers, Ibid.
39. WJC Papers, 1965-1966 Folder, Chronological Correspondence, October 1965.
40. WJC Papers, 1965-1966 Folder, Chronological Correspondence, October, 1965.
41. WJC Papers, 1965-1966 Folder, Signer's Copy, January 1966.
42. WJC Papers, 1965-1966 Folder, Signer's Copy, March 1966.
43. WJC Papers, 1965-1966 Folder, Chronological Correspondence, March 1966.
44. WJC Papers, 1965-1966 Folder, Chronological Correspondence, April 1966.
45. WJC Papers, 1965-1966 Folder Chronological Correspondence, May 1966.
46. WJC Papers, 1965-1966 Folder, Signers Copy, June 1966.
47. WJC Papers, 1965-1966 Folder, Chronological Correspondence, July 1966.
48. Ibid.
49. WJC Paper, Folder, Signers Copy, July 1966.
50. WJC Papers, Folder Chronological Correspondence, July 1966.
51. WJC Papers, Folder, Chronological Correspondence, August 1966.
52. WJC Papers, 1966-1967, Folder, Chronological Correspondence, September 1966.
53. Ibid.
54. WJC Papers, 1966-1967, Folder, Chronological Correspondence, October 1966.
55. WJC Papers, 1966-1967, Folder, Chronological Correspondence, September 1966.
56. WJC Papers, 1966-1967, Folder, Chronological Correspondence, October 1966.
57. Ibid.
58. Ibid.
59. WJC Papers, 1966-1967, Folder, Chronological Correspondence, November, 1966.
60. WJC Papers, 1966-1967, Folder, Chronological Correspondence, December 1966.
61. WJC Papers, 1966-1967, Folder, Chronological Correspondence, March 1967.
62. Ibid.
63. Ibid.
64. Ibid.
65. WJC Papers, 1966-1967, Folder, Chronological Correspondence, June 1967.
66. WJC Papers, 1967-1968, Folder, Chronological Correspondence, July, 1967.
67. WJC Papers, 1967-1968, Folder, Chronological Correspondence, August, 1967.
68. WJC Papers, 1967-1968, Folder, Chronological Correspondence, September 1967.
69. WJC Papers, 1967-1968, Folder, Chronological Correspondence, August, 1967.
70. Ibid.
71. WJC Paper, 1967-1968, Folder, Signers Copy, September 1967.
72. WJC Papers, 1967-1968, Folder, Chronological Correspondence, September 1967.
73. WJC Papers, 1967-1968, Folder, Chronological Correspondence, October 1967.
74. Ibid.
75. WJC Papers, 1967-1968, Folder, Chronological Correspondence, December, 1967.
76. WJC Papers, 1967-1968, Folder Chronological Correspondence, December 1967.
77. WJC Papers, 1967-1968, Folder, Chronological Correspondence, November 1967.
78. WJC Papers, March – May 1968 Folder, Signer's Copy, April 1968.
79. WJC File [3 of 3] LBJ, Library, University of Texas, Austin, TX
80. WJC Papers, 1967-1968, Folder Chronological Correspondence, March 1968.

81. WJC Papers, 1967-1968, Folder, Chronological Correspondence, March 1968.
82. WJC Papers Administration Files, 1961-1968, Poor People's March, 1968 Box 110, Folder 3. * Curiously there was no mention of the assassination of Martin Luther King in Memphis on April 4, 1968.
83. A. Sidney Johnson, interview with me in Madison. Wis. May 2, 1991. He was then and is currently Director of the American Public Welfare Association, Washington, D.C.
84. WJC Papers, October 1968-January 1969, Folder, Chronological Correspondence, December, 1968.
85. WJC Papers, 1968, March – May, Folder Chronological Correspondence, May 1968.
86. Ibid.
87. Ibid.
88. WJC Papers Administrative Files, 1961-1968 Poor People's March, 1968, Box 110, Folder 4.
89. Sar A. Levitan, Wibur J. Cohen, Robert Lampman, eds. *Towards Freedom from Want*. Madison, Wisconsin Industrial Relations Research Association, 1968, pp. 69-70.
90. Ibid, p. 87
91. WJC Papers, 1968, June-October, Folder, Signer's Copy, July 1968.
92. WJC Papers, 1968 June-October, Folder, Chronological Correspondence, July, 1968.
93. LBJ Library, Austin, Texas Task Force Reports, Box 27.
94. WJC Papers, October 1968-January 1969. Folder, Chronological Correspondence, November, 1968.
95. LBJ Library, Austin Texas, Interagency Task Force on Head Start 1968, Box 27.
96. WJC Papers, October 1968-January 1969. Folder, Chronological Correspondence, December 1968.
97. WJC Papers, October 1968-January 1969. Folder, Chronological Correspondence, December 1968.
98. WJC Papers, October 1968-January 1969. Folder, Chronological Correspondence, December 1968.
100. WJC Papers, October 1968-January 1969. Folder, Chronological Correspondence, December 1968.
99. WJC Papers, October 1968-January 1969. Folder, Chronological Correspondence, January 1968.
102. All letters in WJC Papers, October 1968-January 1969, Folder, Chronological Correspondence, January 1969 (There were no letters in these archives to his sons Christopher and Bruce).
103. WJC Papers, October 1968-January 1969. Folder, Chronological Correspondence, January 1969.

Chapter 8: Return to Academia—University of Michigan, Ann Arbor 1969–1979: The Nixon Administration 1970–1974, The Carter Administration 1976–1980

One of the last tasks that Cohen had before leaving his post as Secretary of the HEW in January 1969 along with Johnson leaving the Presidency was to write a memo to the President about briefing the incoming Secretary of HEW Robert Finch of California. Cohen “liked his attitude.” He suggested that Robert Ball be retained as Commissioner of Social Security. Finch agreed stating, “I don’t want to disturb social security, it is a \$35 billion a year program -and still growing.”¹

On January 20, 1969 when Cohen “involuntarily” vacated the office as Secretary of HEW he transmitted a list of “unresolved domestic problems which required continued attention” to the President, the Congress and to his successor Finch. High on his list of 44 printed pages of recommendations was the extension of health insurance “to reduce the need for Medicaid,” along with 33 other recommendations in the health field.²

Very close to deadline, Cohen wrote a serious policy recommendation to President Nixon on Medicare, January 13, 1969. He endorsed covering drugs and medications which are important in the treatment of certain specific serious conditions affecting the aged - heart conditions, high blood pressure, diseases of the circulatory systems, diabetes, and respiratory and kidney conditions. There should be cost sharing of one dollar for each prescription.³

By the fall of 1969 Cohen and his family had moved to Ann Arbor and he was in full swing in the fall semester as Dean and Professor, School of Education, University of Michigan. The first item in the archives was not on academic affairs but a letter to Joseph E. Zwisher, Falk Corporation, -Milwaukee, on October 13, 1969. Apparently there had been some exchange between them on taxation. Cohen asserted that we must “raise income taxes (favor eliminating the preferential tax treatment accorded capital gains.) If we do not do a better job in meeting our

domestic problems in the United State the free enterprise system is likely to be adversely affected.”⁴ Repeatedly Cohen admonished conservative proponents of free enterprise to support social security in order to save free enterprise.

By the beginning of 1970 Cohen was organizing his thoughts regarding education in the United States. He wrote a letter to John W. Porter, Acting Superintendent, State of Michigan, Department of Education on January 7, 1970. His style continued to be sweeping. “We are in the midst of developing a program on urban education, pre-school education, recruitment of black faculty and students, reorganizing the administrative structure of the school, expanding our research capabilities, reexamining the requirements for the teaching certificate, and expanding faculty in selected areas such as preparation of faculty and administrators in community colleges.”⁵

The Democratic Party of Michigan solicited Cohen to run for office. Cohen’s name had been mentioned as a possible candidate for Governor in 1970. (Cohen had maintained his Michigan residency while in Washington). The standing committee of the new Democratic Coalition of Michigan Coalition invited Cohen to submit a statement for publication and his intentions in that direction. Cohen answered more tersely than usual on February 30, 1970, “I am not a candidate.”⁶

During the twelve months overlapping 1969 and 1970 Cohen was the President of the National Council of Social Work. The 1970 annual meeting was to be held in Chicago. Cohen was criticized for holding the meeting in Chicago following the tempestuous Convention of the Democratic Party which nominated Hubert Humphrey for President in November, 1968. It will be recalled that the Chicago convention was beset by confrontations between protestors and police resulting in violence and blood.

The memory of this Convention lingered in the minds of liberals, students, and welfare state oriented dissenters. Cohen received protests that holding the convention in Chicago in 1970 should be canceled. One of them was from the Dean of the School of Social Work, at Adelphi University. The Dean wanted to hear if Cohen disagreed with the prevailing feeling among social workers not to have the Annual Conference in Chicago in 1970 because of the way the Democratic Convention was handled. Cohen wrote back heatedly: "You are quite right that I disagree with your conclusion and your logic. In my opinion the kind of dissatisfaction you profess to indicate is a kind of alienated escapism."

"Quite frankly your utilization of the concept 'moral imperative' to justify your position makes me realize how easy it is to justify nonparticipation in the tough decisions of society. If we followed the logic and moral imperative of your argument you ought to recede from the human race or the entire world."

"Cry out, Joe, all you want but cry out where it makes a difference not just to faculty members who agree with you."⁷

Cohen wrote another letter to a student of social work, San Diego State College, School of Social Work on February 2, 1970 who was troubled by holding the conference in Chicago. Cohen amplified the foregoing with practical considerations: Reservations were made three years ago and a large city is needed for a large audience. The Board of NCSW did not believe the conference should be canceled. It would be impossible to get space in another city: "May I point out that meeting in almost any large city today presents problems. I don't think that having a meeting in a particular city or state should indicate our endorsement of the policies or any mayor or governor. If the meeting were held in California, I hope it would not mean any endorsement of Governor Reagan. Chicago is a place for us to declare our views and be heard."⁸

Perhaps the word uneasiness with the new Nixon administration might be the apt one to describe Cohen's mood as the administration was taking shape. At the annual meeting of the National Council of Social Welfare early in 1970 Cohen, in his Presidential address, complained that there was a "lack of leadership" in the country regarding social welfare following the strong leadership of the Johnson administration.⁹ Nevertheless he seemed to be preparing for the long haul as apparent in a letter on February 10, 1970 to Anne R. Somers, a health insurance activist. He responded to her proposal for national health insurance that she had sent to several other colleagues: "I agree with you that there is neither now nor ever a perfect plan. I think we must proceed from where we are in an evolutionary process which assumes the persistence of mistakes, failures, and misdemeanors. The compromise plan is still to evolve. You added to the dialogue. Most of my friends are still doctrinaire (Emphasis, Cohen). I am trying to keep an open mind on variations and possible compromises."¹⁰

The Myers-Cohen Affair

The incoming Secretary of HEW Robert Finch retained Robert Ball as Commissioner of Social Security. Ball and several others from the Johnson administration "had grown up" with the Social Security Act from 1935. They were involved with its explicit philosophy of eliminating public assistance and establishing a basic plan, however defined, of social insurance pensions upon retirement. There was a continuous uneasy equilibrium between private and public pensions. How far should public pensions go in competition with private insurance company pensions? The incumbents in Social Security were by and large regarded as "expansionists" moving in on the turf of private insurance and trying to become the dominant source of pensions in the economy, although this is probably exaggerated.

Robert J. Myers had been an actuary for the Social Security Programs since 1936. He was appointed temporarily by Witte for the Committee on Economics Security as an actuarial advisory. He was Witte's second appointment after Cohen. Myers had worked for the Railroad Retirement Board and the Federal Emergency Relief Organization. Both Cohen and Myers were in their early twenties. Others equally young and filled with the euphoria of the New Deal philosophy were hired. Robert J. Myers, however, regarded himself as a Republican and devoted to the concept of a balance between private and public pensions, the latter forming a base on which private pensions could build. Cohen could rightly be called an "expansionist" for public pensions but the question was how far. He was always working on expansion incrementally as the political climate permitted.

Early in the Nixon administration Myers, the Chief Actuary, was alarmed that administrators in the Social Security Commission including Robert Ball and Alvin David, were making end-runs around the administration and writing speeches for expanding the Social Security pensions. Myers felt that these maneuvers were inappropriate for civil servants who were now administering Social Security in an administration whose philosophy seemed to be maintenance of the Social Security pensions and payroll deductions in some constant relation to the economy but not to go beyond this somewhat elusive relationship. The policy of the civil servants in the Social Security Commission including, of course, Cohen when he was in the government was to increase whenever possible the social security pensions faster than the cost of living. The philosophy was to have the working population share increasingly in the increased productivity. They certainly were not to fall behind. It is of interest to speculate whether these end run actions of the Social Security administration were peculiar to them or if it was a sort of

normal political action in any administration. How much initiative and discretion could civil servants exercise?

Myers became upset that the Nixon administration's policy and philosophy was being subverted by the Social Security administrators. He decided he could not with integrity function in the Nixon administration and resigned after 35 years of service in the government with the impeccable reputation as a first-class actuary free of political pressures.

Myer's resignation was delivered to Robert H. Finch, the Secretary of HEW on April 14, 1970. It naturally hit the papers. The letter of resignation is quoted in part:

The question might well be raised as to why I believe, in all conscience and integrity, that I must resign. I have previously talked with you about my strong personal beliefs and have given you much supporting factual evidence to substantiate my views -- namely, that certain of the top policy-making officials of the Social Security Administration (who are holdovers from the Johnson Administration) have strong beliefs in the desirability—even the necessity—of the public sector taking over virtually all economic security provisions for the entire population and thus eliminating private efforts in this area. It seems to me that this viewpoint is completely alien to that of the Nixon Administration.

Further, and equally important, it is my deeply-held conviction, as I have expressed to you a number of times in the past, that these officials of the Social Security Administration have not—and will not—faithfully and vigorously serve the Nixon Administration. Rather, they will exert their efforts to expand the Social Security program as much as possible by aiding and supporting any individuals and organizations that are of this expansionist conviction. Such anachronistic activities took place extensively during the Eisenhower Administration – against its political views. Such working at cross - purposes with the Nixon Administration has occurred in the past year, and is still occurring, although to a somewhat limited extent so far.

Evidently, no credence is placed in what I have related to you personally or in others evidence that I have furnished you on this matter, which has such an important effect on the future of the Social Security programs. Therefore, I must, in good conscience and personal integrity, resign. It is especially dismaying to me to have to take this action, because I had hoped to serve the Nixon Administration not only with competence and integrity, as I had tried to serve all previous administrators - but also with great enthusiasm, since I strongly believe in its philosophy and goals.¹¹

In the meantime Myers went public by writing an article for the Reader's Digest, May, 1970 attacking what he regarded as the expansionist tendencies of the administrators of the Social Security pensions.¹² The original intent of the Act was to provide a floor, now the intent is to make it "livable." Shortly afterwards he wrote a "Position Statement" to his colleagues in the Society of Actuaries Transactions outlining the same reasons for resigning as he did in the letter of resignation to Secretary Finch.¹³

On July 11 Cohen received a handwritten note and a copy of the letter of resignation from Myers to Secretary Finch. Cohen had not seen the letter and thanked Myers for it. Cohen's responding letter to Myers was dated July 15, 1970. It started out wishing Myers well on his new position as Professor Actuarial Science, at Temple University:

You are a man of unusual ability and I hope that you will make a significant contribution to the training of actuaries as well as to the sound development of Social Security and related programs. Second, I want to acknowledge the very significant contribution you have made to the Social Security Programs. I would also like to say that you have been a very hard working individual and I respect your dialogue, integrity and ability.

Cohen was greatly distressed with the content of the letter of resignation to the Secretary:

I believe that it was appropriate and desirable that you resign in view of your convictions and the public attacks which you were making upon individuals in the Social Security Administration. I appreciate and understand that you conscientiously believe what you were stating in public. Nevertheless, I must honestly tell you that I think you were ill advised to do what you did in publicly attacking your colleagues - especially Bob Ball - and that was not only improper for you to do so as a civil service employee but also your attacks were likely to have the effect of undermining public support for the Social Security Program and those who administer it.

In particular I believe that many of the comments and conclusions made in your public statements [outside of the letter of resignation] have been gross exaggerations. I will not here attempt to list these on a point by point basis in any kind of debate. I simply want you to know that the overall effect of your articles and speeches were in my opinion contrary to the best interests of the Social Security Programs. Naturally, I would expect that you have a completely different view of the matter. But I feel you should understand

my view and to know how strongly I feel that under all these circumstances I wholeheartedly concur in your resignation.

I must add that some of the statements you made personally about me [no names mentioned in the letter of resignation], I consider unfair and unfounded and that - some of the exaggerations in your articles and statements insofar as they are intended to relate to me as a member of a group are also unfounded.

Cohen then ended with two paragraphs which I believe to be relevant revealing a long and collegial relationship adding some human element to the evolution of a welfare state:

I regret very much having to be frank with you in this letter. Our long association over 35 years is not one which I treat very lightly. We started together as very young men when the Social Security program was just beginning. The whole 35 years period has been an 'expansion' of the program. There are other 'expansions' which have been recommended by the Nixon administration which both you and I support. There are other 'expansions', which I am sure will be made by Congress from time to time. I am certain that there will continue to be differences among Social Security experts and various groups advocating changes and 'expansions' in the Social Security programs. I strongly urge that you give more careful consideration to the implications of your attacks and to the forces you may be aligning behind your views without your being completely aware of it.

I hope you will take these comments in a spirit of constructive criticism as they are made. It is a sad experience for me to know that you are attacking unfairly your former friends and colleagues. I hope you will reconsider the tenor of your charges and try in the future to give those you criticize the same consideration you would want.¹⁴

Myers was not long in answering Cohen's letter. As might be expected it had the same tone as Cohen's, considering the long congenial relationship:

In response to your letter of July 15 -- I appreciate very much the nice things that you said about me, and I have considered thoughtfully the adverse-critical comments that you made. I quite expected your letter to be very frank as befitting a real friend of long standing, and I still consider you in that category although, of course, this must be a two-way street.

You tell me quite frankly that my attitude and procedure was not that of a civil servant toward his superiors. I agree completely with you in that I was not acting as a civil servant, and it was for this reason that, after a limited time, I believed my resignation was necessary. I entered the political field knowingly and because of a deep conscientious belief that improper actions were being taken within the Social Security Administration but that the Nixon Administration was not being given a fair deal.

Certainly, a civil servant is not supposed to remain silent, humble, and obedient when his conscience is being violated by activities around him.

I cannot agree that my efforts have had the effect of undermining public support for the social security program. Instead, I believe that my remarks have brought a new awareness to the American public that there is more than one possible future course for this program. (Emphasis mine) As to remarks that I have made about you, I did say that the freeze on the SMI (Supplementary Medical Insurance) rate was done purely for political reasons, and I continue to believe so.¹⁵

With reference to the Supplementary Medical Insurance rate for physicians services in Medicare immediately before the end of the Johnson administration --Myers' recommended to Cohen, then the outgoing Secretary of HEW, that the premium rate should be increased from \$4.00 (a month) to \$4.40. Cohen had taken several actions to keep from increasing premiums including requiring physicians to maintain current fees and carriers to tighten up the administration of the programs. Myers insisted "that premium rate of \$4.40 was necessary even under the imposed restrictions." Myers continued:

Amazingly, Secretary Cohen claimed that his action would be helpful to the Nixon administration, since it would be a lower cost to the General Fund of the Treasury [which accounted for a third of the premium] in the form of a matching contributions. The fallacy of this argument is, of course, the same as that of asserting that one is saving money by not paying bills, which fall due with interest and service charges. Actually such an action places the Nixon administration in a difficult position, because the promulgation to be made in December, 1969 would very likely have to be at a substantially higher level. Many people would, of course, blame the entire rise on the new administration. (Richard J. Myers. *Medicare*, Bryn Mawr, PA, Richard D. Irwin for McCohan Foundation, 1970, pp. 213-214.) After all, you were in a political position, so why should you not act political. I did not say [to the newspaper Oklahoma Times May 16, 1970] that you 'sabotaged' SMI, and I haven't seen the newspaper account thereof (in any event, I am certain that you are familiar with the fact that newspapers sometimes misquote). I have also said that your action would result in practically bankrupting the program, and this has certainly turned out to be the case.

I cannot agree with your remarks about the past and currently proposed 'expansion' of the program. I think that this term is properly used as applying to 'real' or 'relative' changes and not be 'absolute' changes which merely keep the program up to date.

As you know from my recent papers, I do not believe that the recommendations of the Nixon administration were expansionists but, rather, only keeping the program up to date.¹⁶

Cohen responded on July 28, 1970:

It is clear that there are differences of opinion and judgment between us. I just don't like the language and arguments you give to support your position. There is a matter of taste - good taste - involved in this kind of exposition. I think your expositions have tended to be political, emotional, and not actuarial.

Your 'political' endorsement of the Nixon Administration in your writings is certainly one which you are entitled to make but I believe it may serve to limit your usefulness as an actuary and a social security expert. This I regret.¹⁷

Cohen, ever mindful of history, was glad to know that Myers was depositing his files with the Wisconsin State Historical Society "where they will be joined with those of Witte, Altmeyer, and Cohen."

Twenty one years later on May 21, 1991, I was in Washington to interview two major individuals who were involved in the affair: Myers and Ball. Unfortunately Cohen died in 1987, but the records in his archives, as noted, are complete enough to give a vivid picture of his encounter with Myers.

Both Myers and Ball were exceedingly cordial and free-wheeling with me and were very glad that I was writing the biography. Myers was insistent that Cohen's long-range ambition was to have social security be the pension program which would supplant private insurance -- at most private insurance would be a small remnant. Myers supported indexing of the social security pensions in order that they would remain in constant ratio to inflation. Republicans supported indexing as a brake on pensions rising faster than inflation. Cohen wanted the increases to be faster than inflation so that workers would share in the increased productivity, and indeed, as Myers noted even relatively faster than productivity. Myers "blew the whistle" because of the

behavior of the administrators in the Social Security Commission were behaving contrary to neutral civil servant ethics: “civil servants should serve the administration in power or resign.”

Despite the seemingly acrimonious exchange between Myers and Cohen their friendships and working relationships continued. Myers said he admired Cohen because he told him and everybody else exactly where he stood. Myers continued to be active in consulting with the government and commissions that were set up to review the Social Security programs, particularly as to their financial soundness.

Robert Ball, Commissioner of Social Security during the Nixon Administration, felt that Myers was exaggerating the expansionary tendency of Social Security to preempt the private sector. Ball, a rather unflappable person did not seem to have taken offense at Myers attacks. Ball reported that he and Myers have worked well together since this “affair.” Myers has “mellowed.”¹⁸ (In 1986 Ball established The National Academy of Social Insurance, whose members are united. It is a nonprofit a non-political forum on the current and future states of Social Security. There are now [in 1992] around 400 members. Myers is a member as am I.)

It is, of course, obvious that Ball also admired Cohen. Ball was very instrumental in persuading Cohen to join the Kennedy administration in 1961 as Assistant Secretary for Legislation. In a long single-spaced letter Ball congratulated Senator Vance Hartke on his reelection to the Senate. Ball hoped that there would be an opportunity for Ball and Cohen to work together on welfare legislation proposed by the Nixon administration.

Cohen noted that the basic features of the Nixon proposal had been previously recommended by Democratic administrations and therefore should be considered bipartisan. Cohen also noted that the Roosevelt administration as early as 1935 recommended a minimum (emphasis Cohen) for welfare [public assistant] payments. He noted further that Kennedy had

recommended inclusion of the children of the employable persons who were unemployed in 1961 concurrent with the establishment of work and training programs of welfare recipients - and the Johnson administration in 1967 recommended the expansion of work and training programs, child care facilities, and financial incentives for individuals on welfare who work. Cohen suggested a phasing in period as a smooth way to implement these programs. Always conscious of the need for a political consensus Cohen wrote: “The welfare reform proposal is too important to be acted upon in a partisan political manner. It is essential to the healing of the nation to find some solution to the alienation of the poor. The welfare reform legislation is a step in this direction.”

Usually putting himself in the middle, Cohen observed: “Some conservatives oppose the proposal because it costs money, adds millions of persons to the welfare rolls, and does not solve the basic problems of preventing illegitimacy, alcoholism, mental illness, large families, or similar conditions which enable persons to qualify for welfare. Some liberals oppose the proposal because the income payments are too low and the pressure on the welfare recipient to work may be oppressive and may result in an invasion of individual rights or undermined the responsibility of mothers to stay home and care for their children.”¹⁹ Cohen predicted at the closing of the letter: “As our gross national product increases during the seventies we ought to be able to devote more resources to dealing with the problems of poverty at the same time as the extent of poverty decreases.” However, the economy as measured by the annual percentage growth of the GNP was actually growing at a slower rate.

Most of Cohen’s correspondence with members of Congress seemed to go one way – to the members – but Cohen had an inquiry from Senator Humphrey (who lost to Nixon in 1968) regarding national health insurance. Cohen reported that a new bill was being proposed by

representative Martha Griffith (D-Michigan) and drafted by the UAW – Committee for 100. Cohen suggested that Humphrey co-sponsor the revised bill next year (1972) but to keep an open mind on “practical compromises and alternatives which will have to be explored as we get closer to the time of enactment.” The big need now, he suggested, is to take leadership in the various steps necessary to make it possible to put national health insurance in effect in 1976. (the 200 hundredth anniversary of the Declaration of Independence!)

This legislation, Cohen went on, could include increase in funds for expanding the supply of medical manpower including minority groups. Training of new types of medical aides such as physician assistants, financial aid for starting “hundreds” of group practice plans, increasing the number of neighborhood health centers, ambulatory clinics, and maternity and well-baby clinics, financial incentives for innovative and economical and coordinated medical plans.

The punch line was: “A bill which brought all these – and some other – elements together could be called the Medical Care Organization Act of 1971 which would not only parallel the national health insurance but be essential to its implementation. Here is an area which no Senator has really brought all (emphasis, Cohen) together in one bill and I suggest you explore its possibility as a dramatic and comprehensive program which is realistic and essential.”²⁰

Cohen asked Humphrey if he would be interested in getting on the Senate Finance Committee. Since Eugene McCarthy was getting off there would be an opportunity for another Democrat on the Committee. This Committee will handle national health insurance, social security, welfare reform in addition to taxes and trade. “I hope you would consider requesting assignment on the Finance Committee where you could take national leadership on the kinds of programs which interest you.”²¹ Remember that Cohen is no longer a high level federal government political appointee. He is a professor behaving vicariously as a high level political

appointee. This is not said in criticism but analytically, in a political process where such roles are possible, perhaps indeed facilitated.

At the beginning of the second year of the Nixon administration it is obvious that Cohen from his base at the University of Michigan was continuing to be very active in his contacts with members of the Congress and others outside. He wrote a letter to his old colleague in Congress, Wilbur D. Mills on February 11, 1971 who requested advice on a revised Federal welfare program. Cohen's advice was characteristic of his very detailed concept and knowledge of the welfare and some insurance structures of this country and how to fill in the cracks of deficiencies. Cohen wrote that the general idea is to develop three separate groupings of eligibilities since there are different eligibility (emphasis, Cohen) conditions and levels of assistance which Mills might consider: 1. the aged, blind, disabled, and widows (long-term types). 2. Individuals who are working or who are unemployed but looking for work, whether they have children or not. Eligibility rules will be related to work experience, work tests, and work incentives derived from employment insurance. 3. This group would include children whose parent/or parents were not working or unemployed (not looking for work). Each of these types would be at a certain subsidy level shared by the State and Federal governments.²²

At the same time Cohen wrote a letter on February 12, 1971 to Marshall Field, publisher of the Chicago Sun-Times thanking him for endorsing Cohen's eldest son Christopher for alderman in the 46th ward. His son was elected – Cohen wanted his sons to enter public service in the same way. Later Christopher became Director of the Midwest Regional Office of the Social Security Administration.

On March 26, 1971 Cohen wrote to Senator Humphrey expressing alarm that the Federal revenue sharing bill with the states that Humphrey was sponsoring needed some important

changes. Cohen did not believe there were enough requirements of the states to handle the revenue sharing as intended by the Congress. For instance: “I do not believe any money should be given to a State or locality unless it has a state income tax; all local employees should be employed on a merit basis (along with an improved personnel program); The state and locality must have a housing authority which will have responsibility for making housing available to minority groups; the state and local health authority must show a reduction in infant mortality of minority groups in the next five years; that there be assurance that priority in the use of funds will be utilized for the poor and disadvantaged; and that there will be adequate participation by citizens in decision making.”²³

In May, 1971 he wrote a letter on the same subject to Senator Muskie, (D-Maine). Muskie had apparently conferred with Humphrey and Reuss and other Senators and made some modifications, but Cohen was not satisfied: “I regret that after careful study I find your bill still unacceptable. To give the states and localities \$6 billion a year without any substantial changes in state and local programs and policies is unconscionable in my opinion. Under your bill more money would be poured down the rat-hole and the disadvantaged would be siphoned into low priority areas and needs. Wide disparities in fiscal efforts would continue to be perpetuated.”²⁴ Cohen certainly believed in a federal-state system, but he worked to establish national standards given the wide range of standards in the States.

Cohen’s range of policy interests was wide. For example, he wrote a letter to Senator Philip A. Hart, on April 21, 1971 opposing a separate Department of Education. In 1971 there were 14 cabinet level departments. He thought there should be only 7 or 8 departments. The span of attention and control of so many departments required of the President was too much.²⁵

In between Cohen responded to Ellen Erlanger who had sent him her paper on “The War on Poverty” for comment. He did: “I think your conclusion on p. 27 is very naive. How is it possible to run a Democratic society without ‘political encroachments?’ (She argued for a program free of politics). People make politics. What you believe and want is politics. There is more than just one objective in most programs. So there must be tradeoffs. ..I think what you mean is that you are against ‘bad politics,’ but believe in ‘good politics’. That’s true of all of us.”²⁶

Cohen’s relationship with representative Wilbur Mills continued as political colleagues. On June 16, 1971 he wrote Mills reminding him of their recent discussion the two of them had that Mills make a speech which makes a commitment to the abolition of poverty in the United States by 1976 or 1980. Cohen enclosed a draft of an article on the abolition of poverty which Mills might use as a basis for his speech. Cohen closed: “A major speech by you in the House, or before a State legislature, on this subject would attract tremendous public interest”²⁷ (a copy of the letter was sent to John Martin on the Ways and Means Committee.) The year 1976 as a target was propitious, for it would be the 200th anniversary of the signing of the Declaration of Independence.

An article by Cohen appearing in *Current History* in June, 1973 undoubtedly contained the framework of his thinking in his letter to Mills two years earlier. He wrote in the article: “To eliminate poverty requires a comprehensive and coordinated attack in several different areas simultaneously.” Paraphrasing: 1. There needs to be continued economic growth and development. Closing the tax loopholes will yield \$10 to \$20 billion. 2. Opportunities for “meaningful, productive, self-supporting work” must be expanded. 3. Racial discrimination must be ended. 4. Family planning services should be available on voluntary basis; 5. Opportunities for

education at all levels must be expanded as an investment in people; 6. there must be continued improvement in social security – disability, higher pensions, government subsidy; 7. national health insurance for everybody; 8. improve other social insurance programs such as unemployment and worker compensation; 9. the welfare system [public assistance] must be “radically overhauled.” 10. the services that will help people move out of poverty “must be brought to the people where and when they need them,” 11. extreme variations in opportunity and services must be eliminated.²⁸ Cohen’s prediction was that this program should reduce the poverty population from 23.6 million in 1971 to 15 million in the next ten years.

Regarding national health insurance Cohen revealed his frustrations in a letter on August 2, 1971 to Herman M. Somers, Princeton University in reply to a paper on health insurance by Somers. Cohen reported he was working with representative Mills, Senator Muskie and others on health insurance so he was grateful for Somers’ suggestions, but “everyone is searching for a ‘solution’ to our health problems. The only solution or solutions I can find are proposals, articles, speeches, and hopes. But I don’t see how to put them into effect with imperfect human beings. Nobody seems to want to settle with reality. Everyone yearns for the medical-health utopia. Perhaps in my old age [58] I am getting to be too realistic, too practical, but I think idealism can and must take into account reality.”²⁹

By which I assume he meant an incremental approach. Medicare was enacted in 1965.

Seven days later Cohen turned to theories of education (he was The Dean of the School of Education) in a letter to Judge Skelly Wright, circuit Court of Appeals, U.S. Courthouse, Washington, D.C. Judge Wright had sent Cohen a copy of his “Hobson decision”. Cohen thought the decision was “correct under present circumstances,” but he was becoming “increasingly concerned about the validity of the underlying assumptions” which Cohen believed were

included in the decision that [paraphrasing]: 1. a reduction in the pupil-teacher ratio will improve student performance, 2. increased teacher expenditures per student will improve student performance, 3. equal expenditures will produce approximately equal student performance.

Cohen is exceedingly doubtful of contemporary assumptions in education: "... as to whether tenure or certification of teachers, increases in teachers' salaries, seniority, expenditures or faculties, auxiliary services, busing or similar activities or services have really much to do with the intellectual attainment of students, their creativity, independence or motivation. The whole process of learning and teaching becomes more and more complex to me. I doubt that with the millions of records, books and research that have been to the study of learning, teaching and educational process that we really comprehend the variables that affect the result" [as of 1971] (Emphasis, mine).

Where does Cohen go from here? He mentions four items "worthy of further exploration. (again paraphrasing): 1. There should be a larger proportion of men teachers in the elementary grades to provide a male image "particularly with regard to children from disadvantaged families;" 2. More flexibility in the curriculum to facilitate individual attention and forcing all teachers into the same mold; 3. A mixture in each school of experienced and inexperienced teachers of various backgrounds "so that there can be a greater degree of questioning concerning the role of the teacher and curriculum;" 4. Some variation in the background and experience of principals so that they are not in the same mold. These observations came after eight months as Dean. Cohen was afraid of lock-step uniformity: "Probably all I am saying is that the process (emphasis, Cohen) of educational development is more important than the short-term results measured by so-called objective achievement tests in reading, mathematics, or language."³⁰ It would seem that the education establishment was being severely challenged.

During the period after Cohen left Washington for the University of Michigan it seemed that he was receiving more national publicity. An important vehicle was his debate with Milton Friedman sponsored by the American Enterprise Institute, a Washington-based conservative think tank. The Institute held an occasional Rational Debate Seminar. Cohen and Friedman held opposite views on the role of government for the economic welfare of the people. Cohen favored shifting all people remaining on public assistance and the demeaning means test to social insurance funded by payroll deductions by employers and employees. Employees would then have saved money for the future along with the employer in lieu of wages. At retirement the employee would have a statutory right to a pension in some ratio to their level. There would be no subsidy from general revenue. Friedman's view was that the employees lost control over their own income by a compulsory deduction and thus eroded consumer sovereignty, the engine of the market economy. Friedman advocated a negative income tax to be distributed to those below a given income and thus a means test, although automatic and objective. Both of them, however, believed in a democratic, capitalistic system or free-enterprise. Presumably Cohen's position would be more regulatory and higher taxes on profits etc, than would Friedman. Cohen's view of government was essentially organic. Government and society were interrelated. Friedman's view was a classical, atomic – individualist society. They debated hot and heavy with naturally no real resolution, Cohen arguing that social insurance was in essence insurance although a “social contact” with government guaranteeing pensions by its taxing power, while Friedman was an insurance purist asserting that to be insurance there must be a clear reserve fund maintained to meet the private contractual obligations backed by laws of contract. A retort by Cohen became famous: “The point is simply that the social security system meets the test of insurance, it meets the test of equity and it meets the test of social adequacy. And as to the fact Friedman doesn't

agree with it – well, he is not Congress, he’s not the American people. He’s only an economist.”³¹ In due course Cohen wrote Friedman a letter remarking how much he enjoyed the debate and that “you are a scholar and a gentleman.”

On October 5, 1971 Cohen wrote a strong letter to Senators Muskie and Mondale on their bill S. 2656. Social Security Financing Bill. Although he favored the “general thrust: he was afraid that as written he opposed the reduction of the employee tax for low-income workers. Workers must contribute something so as to feel to have a stake. Upper income workers would resent this apparent subsidy from general revenue. The “earned right” feature must be maintained. He feared Social Security might turn into a welfare program. He sent this letter to many other members of Congress. While this was going on Cohen wrote a letter to Vincent J. Burke, of the Los Angeles Times, Washington Bureau on October 6, 1972. Burke had written Cohen regarding welfare legislation being considered in the Congress. Cohen wrote: “In response to your letter of October 3 I have from time to time talked with Senator Russell Long, Senator Ribicoff, Chm. Mills [Ways and Means Committee], Senator Hartke, and other members of the Senate. I have met several times with Secretary Richardson. (HEW) In addition I have participated in some discussions with State Welfare Administrators. I have had several contacts with some governors, notably Governor Smith of Texas and Nelson Rockefeller.” [New York]

There are problems of agreement on Ribicoff’s amendments:

While I am strongly in favor of improvements in welfare programs at this time, my thirty-seven years of experience in working in this field leads me to believe that the millennium will not be achieved this year, and that the problems of reform will continue to be periodic and recurrent problems for future Congresses and future Presidents, irrespective of political party, (Emphasis, mine).

The most important matter in my opinion is to try to achieve something at this time upon which it will be possible to build in the future rather than assuming that we have all the answers to the questions at the present time³²

It would seem that Cohen was aware that the country was in a conservative swing.

On November 17 Cohen again wrote an admonishing letter to Senator Humphrey on his bill S.2838 regarding improvements in financing Social Security. Cohen was alarmed that Humphrey had quoted Joseph Pechman, economist with the Brookings Institute. Pechman was quoted as saying “that the desirability of the payroll tax does not (emphasis, Cohen) depend on the need for maintaining a relationship between earnings and benefits.”

“I strongly urge you to be very careful in utilizing this quotation. If you depreciate the relationship between earnings and benefits, the inevitable consequences may be to support a uniform payment like the Townsend Plan.” (this plan proposed by Townsend in 1934-1935 was a flat pension of \$200 a month for the elderly).

Cohen stood behind the principle of a relationship between benefits and earnings literally as a sacred one. “The artistic and political genius of the Social Security old age insurance program was the incorporation of a relationship between earnings and benefits. If you remove an appropriate relationship between earnings and benefits then, in my opinion, the logic is to have a uniform benefit with all costs borne by general revenue - with an income test. This would be a kind of national old age welfare plan.”³³

In a letter to Senator Mondale in November 9, 1971 Cohen continued to hammer at policy of a relationship between earnings and benefits. Mondale was recommending an earnings base for employee payroll deduction of \$7,800 a year rather than \$9,000. Cohen wrote:

I deeply regret that you proposed this amendment Fritz. I recognize the relevance of the points you made in your statement on the financing (emphasis, Cohen) and economic side of the questions, but you completely overlooked the benefit side. I support the general thrust of the amendments that you, Ed Muskie, and Hubert [Humphrey] have proposed to change the financing base of the social security program. But to retain a contributory, earnings related systems, the maximum earnings base, in my opinion, must

continue to rise as we raise the minimum benefits, and introduce general revenue financing.

An increase in the maximum earnings base introduces a somewhat more progressive element in the social security program. On the other hand, restricting the maximum earnings base, lessens the progressive effects and makes it more difficult, in my opinion, to obtain an increase in the minimum benefits.³⁴

The finesse of a Swiss watch approach to social security is hard for both politicians and the public to follow.

Then comes 1972, another presidential election year. Nixon was running again. Hubert Humphrey wanted to run against him. Humphrey asked Cohen in Michigan if he would campaign for him. Cohen explained the political situation in Michigan which would make it difficult on February 24, 1972: “Since I am now Dean in a State with many Republican legislators - and many Democrats who are supporting [Senator Ed Muskie] -and I am constantly asking for more money for my programs from the legislature - I do not think I can conscientiously carry out my responsibilities here and get into the campaign until after the convention.”

While pondering this problem, Cohen wrote Jay Constantine, on the staff of the Senate Finance Committee, regarding Senator Bennett’s amendment to H.R.1 relating to Professional Standards Review of medical practices of Medicare. This amendment was intended to formulate methodology for monitoring physicians practice patterns to improve standards and control costs. From the standpoint of the medical profession this was a drastic interference with its diagnosis and treatment prerogatives Cohen approved of the principle but suggested that there should be “experiments” in some areas before application to “3000 counties,” to give them some time such as 1975, and also warned that the method may cost more than anticipated.³⁵

In this election year Cohen wrote Senator Gaylord Nelson, (D. Wis) on May 29, 1972 commending him for his support of the amendment to a pending bill in the House that the cost of a special minimum benefit OASI (as apparently offered by the Senate Finance Committee) should be financed out of general revenue. Cohen felt that “for those persons in business, industry, and commercial insurance who favor a sharp distinction between the attributes of private insurance and social insurance, your amendment to finance the special minimum from general revenues should meet with their philosophical support if they wish to reinforce the distinction”.³⁶

Now that Cohen was Dean he began to have experience with affirmative action for hiring faculty in universities. As to be expected, he approved of affirmative action in a letter on March 6, 1972 to Joseph M. Engleman in a law firm in New York City. He wrote regarding an article by Professor Paul Seabury: “HEW and the Universities.” Commentary, February 1972, which, apparently, was critical of affirmative action: “As a Dean, I have not found that ‘affirmative action’ or ‘hiring goals’ is interfering or likely to interfere with traditional standards of excellence, merit, or quality. On the contrary, they tend to improve the search and hiring process and these broaden the range of considerations for selection of faculty. And this is all to the good. It will make hidden assumptions now underlying ‘professionalism’ and excellence, and reliance or selection through friends of the same sex or social class, come out in the open for review, and modification.”³⁷

Cohen was now 59 years old and was encountering the second-generation of scholarly experts, students and advisers. They were “reopening basic questions”, as he put it in a letter on August 17, 1972, to Professor William Haber, a long time colleague and now Dean of the Graduate School, University of Michigan. Cohen was conferring with Haber on unemployment

insurance: “The same experience is occurring in social security, welfare, and health insurance. This is obviously a proper subject for reconsideration, but it does mean that nothing can be taken for granted with the new breed (emphasis, mine) of scholars who find a great sense of satisfaction in challenging the fundamental postulates of their parents and peers.”³⁸

The revenue sharing bill was still pending. It had been reported by the Senate Finance Committee, H.R. 14370. Cohen sent a critical letter to Senator Abraham Ribicoff on September 1, 1972. Cohen felt as before that “the bill reported out by the Senate Finance Committee is absolutely terrible (emphasis, Cohen).”

“As I read the bill, a state or locality can use the money for absolutely anything that they want. They could use it to build parking lots, a new residence for the governor or mayor, or for more limousines for state and local officials,” and on and on.³⁹ Cohen became known as a “centralist.”

During the McGovern - Shriver campaign against Nixon in 1972 Cohen wrote letters to many people under the rubric Social Workers for McGovern-Shriver: “A vote for McGovern and Shriver is a vote to return our Federal executive branch to compassion, understanding and reordering our priorities.”⁴⁰ He wrote as a private citizen from his Ann Arbor home, not on University of Michigan stationary.

Cohen had a continuous concern with contemporary students’ lack of perspective regarding welfare and social insurance developments. He wrote a letter to Professor Preston Slosson, (political science) of the University of Michigan, on October 18, 1972: “having had the opportunity to work for five presidents and having been a member of the Presidential Cabinet, I am very conscious of the importance of perspective in analyzing current political development.”

“Many of our students today seem to not have the historical perspective and knowledge that is necessary to understand the present and future problems.”⁴¹ (hence cannot formulate wise strategies).

The Nixon and Ford Administration 1972-1974.

With a great deal of discomfiture Cohen was enduring the second term of the Nixon administration. On February 3, 1973 he wrote his old friend and colleague, George A. Silver, M.D. of Yale University: “I am not very enthusiastic about the Congress enacting any innovative health insurance legislative which will be assigned to the Nixon administration to implement. I just don’t have the feeling that they would get it started right, my experience with the implementation of new programs convinces me that the most important factor after the legislation is enacted is to have it get started. I believe that ‘the child is father of the man.’”⁴²

On March 16, 1973 Cohen continued in this view: “I strongly believe that competent administration of idealistic objectives is an important factor to the nonideological American mind (Emphasis mine). I am working with my three sons to see if at least one of them will become one of those who will help some future Democratic President administer the social reforms of the next Democratic Administration.”⁴³ His sons were then 31, 29 and 27 years of age. Christopher, the eldest, probably showed the greatest promise of doing so by becoming Director of the Regional Office of the Social Security Administration for a few years, later becoming an attorney in a Chicago law firm. He specialized in HMO legal problems. The second son, Bruce, became a Peace Corps worker, and the youngest, Stuart, a scientist and technical consultant.

Cohen’s greatest dissatisfaction with the Nixon Administration was vividly evident in a memorandum to Sidney Johnson on Senator Mondale’s staff on March 26, 1973. Johnson had

been a general assistant to Cohen before going to Mondale. The memorandum was entitled “A Counter Strategy to Compel President Nixon to Make a Peace Treaty with Congress.” I am not sure if Cohen was intending to be facetious, but he wrote: “In order to compel President Nixon to be willing to accept some reasonable modification of his legislative and appropriation proposals it will be necessary for the Congress to take steps where it will actually hurt the President’s control over people, programs and policies.” Cohen proposed that Nixon be compelled to: 1. reduce the number of employees in the White House staff; 2. reduce the appropriations to the President for Emergencies by one-half; 3. reduce the number of employees and appropriations of the Office of Management and Budget, and 4. hold up Senate confirmation until appointee agrees to carry out the intent of Congress. Cohen sent the same memorandum to Philip Burton of the House.⁴⁴

On June 22, 1973 he suggested to Melvin R. Laird, of the White House staff that the administrators of the Social Security program “should be above and beyond politics.”⁴⁵ “This from a person who was political to the core?”

By midsummer Cohen’s frustration with Nixon was unbearable. He wrote George A. Silver, on July 3, 1973 and mentioned earlier, “I am so shocked at what is happening in HEW that I don’t know what to do, say, or recommend on administrative or personnel changes.”⁴⁶

Physicians were becoming conscious of the Professional Standards Review Organization Act (PSRO) and its implementations. Although Cohen had seemingly promised the health establishment that Medicare would not interfere with the practice of medicine he may not have anticipated the PRSO Act of which he approved. In a letter to John B. Byran, MD. of Royal Oak, Michigan on July 23, 1973 who had written Cohen about the Act intervening in the practice of medicine Cohen wrote: “I don’t see why physicians can’t handle their PSRO responsibilities

reasonably effectively and efficiently. If physicians don't handle their professional responsibilities (only physicians were appointed to PRSO Committees), then someone else will inevitably do so. The option is up to physicians. Will they accept the challenge or shirk their responsibility?"⁴⁷

During 1973 Cohen recommended that women who are fulltime homemakers should be able to contribute to the pension program equivalent to the self-employment rate on the average of all working women. Women would then receive benefits upon reaching age 65 in their own right and receive at least one-half as much as the husband.⁴⁸

Vice President Spiro Agnew resigned under pressure late in 1973. Cohen supported the nomination of Gerald Ford, (R. MI), writing to Senator Howard W. Cannon, chairman of the Senate Committee on rules and Administration for Vice President, urging that the position be filled soon. "As under Secretary and Secretary of HEW during 1965-1968 I consulted with Mr. Ford on several occasions. While his views on many issues are in opposition to mine, I believe Mr. Ford to be a man of integrity. He is well thought of among my associates and colleagues. He has an excellent understanding of the importance of effective consultation between the Executive and Legislative branches which I believe to be vitally necessary at the present time to the restoration of constitutional government."⁴⁹ Little did anyone realize that President Nixon would resign in disgrace early in 1974 because of the Watergate scandal, Ford succeeding him.

Always in the minds of long time administrators of the Social Security Administration was the separation of Social Security from HEW thus regaining its original independent status. Robert Ball had retired from the Social Security Commission March, 1973. Ball became a Senior Scholar at the Institute of Medicine and a Visiting Scholar at the Center for the Study of Social Policy. From these independent positions he wrote Cohen a letter on November 8, 1973,

regarding Social Security as an independent government agency. Social Security was felt to be too large to compete for funds as part of HEW. It should have a separate fund and be politically separate from HEW.⁵⁰ This seemingly logical suggestion never got off the ground, but remained latent.

In a letter to a friend, Mrs. Clifford Durr, Wetumpka, Al., on October 15, 1973, he replied to her letter regarding “Scoop” Jackson as a Democratic candidate for President in the 1976 election. Cohen was favorable but Jackson was not “charismatic.”

My answer is that it is not possible these days to find a candidate to support whose views are 100 percent with mine. I am anxious to win the presidency away from the Republicans in 1976 and I believe we must find a more middle-of-the-roads candidate than a McGovern.” (McGovern, who Cohen supported had lost to Nixon in 1972).

While I enthusiastically support Senator Mondale, I also recognize that for a Democrat to win he must have the financial and political support of George Meany and the AFL-CIO. Here again I have some differences with the AFL-CIO, but on the whole they are a most influential force in Congressional legislation and in domestic health, education, and welfare policies – unequalled by any other national group of similar size and influences.

McGovern was the wrong candidate in 1972, in my opinion, because he ‘appeared’ to be too radical for the blue collar, middle income person. The New Deals policies resulted in the expansion of the middle – income group and now they want to keep what they have. (Emphasis, mine). They can very easily support Republicans who promise them not to bus their children or raise their taxes.⁵¹

This is a remarkable conclusion by Cohen in that the rising “affluence” of the blue collar workers who he wanted to lift up economically now jeopardize his mission. Cohen’s mission to create a “middle class” society seemed to be backfiring politically.

Cohen’s concerns continued to mount as revealed in a letter to Marvin L. Esch, (Republican U. S. Representative from Cohen’s Second Congressional District in Ann Arbor) on October 22, 1973. What was at stake was the strong possibility that President Nixon would veto the HEW appropriations Bill. Esch would not override the President’s veto. Cohen tried to convince Esch to override the veto. “I feel compelled to make a public issue of the matter both in

Ann Arbor and nationally. This may not be of any great consequence, but you will appreciate that over the years I have put a great deal of energy in building the programs in HEW which I now find being torn asunder. The morale in HEW has been deteriorating. The programs have been losing ground. I find it hard to stand by and see a great Department going down hill.”⁵² (Cohen wrote on his personal stationery from his home in Ann Arbor).

It is, of course hard for a person to find a dream being eroded. Cohen found it difficult to accept that he was out of power. He took it personally. Somewhat climactically Cohen wrote a letter directly to President Nixon on December 7, 1973 co-signed by former Secretaries of HEW, Marion Folsom (1954-56), Abraham Ribicoff (1961-62) and John Gardner (1965-68). They appealed to Nixon not to veto the HEW appropriation bill.⁵³

Frequently, as noted in previous chapters, Cohen would dwell on the American political process and his continuing faith in it despite all his frustrations. On January 10, 1974 he wrote I.A. Fabro, M.D. editor of Connecticut Medicine, Torrington, Conn. “I believe that there is a necessary and important role for ‘lobby’ groups. It is a basic assumption of our society that various groups will try to present their special views to political leaders. However, the public interest is served only if ‘lobby’ groups recognize that there are conflicting interests which must be reconciled by ‘general interest’ representatives.

“I strongly favor effective participation by the AMA, national, state and local health and medical groups, consumers of medical care, etc. in the political process of formulating, revising, and improving health and medical care policies. We need constructive and innovative ideas and participation by all groups at all levels of government.”⁵⁴

Recall that at the age of 17 in the Experimental College, University of Wisconsin in 1930 he wrote an essay on Democracy in which he proposed that “Government was the science

of harmony.” He was not finding “harmony” at the movement given the proliferation of interest groups at cross purposes.

The next month, on February 6, 1974 Cohen made further observations in a letter to Ben J. Wattenberg, a pollster and political commentator. Wattenberg had sent Cohen his recent report The Massive Majority Middle Class and What It thinks. “I shall read it with a great deal of interest because I think many of the economists and the younger upcoming social thinkers are overlooking the role of the middle class, middle-income, blue-collar workers’ attitudes. They seem to forget that man does not live by macro economics. In developing the public policy issues for 1976-81, (Cohen was looking forward to a Democratic president), it will be necessary to reorient the issues to what the middle class tends to think is important while at the same time keeping in mind the larger interest of the entire society (like the poor and disabled). In other words legislation will not be enacted unless it appeals to the broad middle class who in turn should have a philosophy of noblesse oblige (emphasis mine).”⁵⁵ It is clear that constantly Cohen was aspiring to a society in which the great majority, say 90 percent, had a contemporary middle class standard of living, the remainder needing subsidy.

For the relatively small residual, and possibly for the broad middle class Cohen wrote a letter to Elizabeth Wickenden on February 21, 1974 commenting on Gilbert Steiner’s article in Public Interest, Winter, 1974. “Steiner and many economists are now stressing the money and market system as a kind of solution to many of the welfare problems. I think they have completely overlooked that even with more money there will be a need for more services.

“I think we need to do more work to impress upon both the economists and political scientists, and particularly the Brookings Institution people, that there is a valid need for social services and that no foreseeable income guarantee program can handle all of the human problems

through the market systems.”⁵⁶ People have problems beyond money; Cohen was making a plea for the continuing need for social workers.

Still, Cohen was not entirely free of the thinking of economists, In a letter to Senator Water F. Mondale (D. MN) on March 4, 1974 he was advising the Senator on the use of tax deduction and tax credits for families with children. “In my opinion, the tax credits should be limited to three children and two adults. (Cohen’s own family). Moreover I believe that there shall be a higher credit for the first child [and] it would strengthen family planning to limit deductions to three children.” In another letter on the same day, Cohen spelled out the amount per child. Mondale had proposed to limit tax deductions per child to \$200, apparently with no limit to the number of children. Cohen suggests limiting the deductions to three children, \$300 for the first child, \$200 for the second, and \$100 for the third.⁵⁷ This policy would seem to be a departure from Cohen’s usual policy thinking in that the family and the children after three children would be financially penalized when there was greater need. Cohen, however believed strongly in population control.

Cohen was a strong believer in the HMO concept of delivering health services, but he saw the possibilities for complaints and conflicts among patients and physicians in this highly structured method to which they were not accustomed. He participated in a project on evaluation of grievance procedures in health maintenance organizations. On March 14, 1974 he wrote to Irving Ladimer, Special Counsel/Health Care, American Arbitration Association in New York. He observed that some methods must be developed to handle all of these human encounters. A more rational and effective health delivery system cannot be attained without some changes in present practices which will annoy, confuse, and worry both some patients and some providers. Ways must be found to resolve conflicts before they erupt and to deal with them when they do.

“In addition, there must be a whole new approach to health education which will reorient the way in which health services are delivered. Consequently, there must be a greater participating role of patients as consumers, and all (emphasis, Cohen) types of providers in the health delivery system.”⁵⁸

During the next several months the Nixon Administration was undergoing the trauma leading to the explosion of the Watergate scandal in August 1974, a period in which it seemed that administration was approaching paralysis. Curiously, there is no hint of development in Cohen’s archives during that time.

Cohen had many matters on his mind relative to the welfare state. One of them was the creation of a school of public affairs at the University of Texas which was a major interest of former President Johnson, and called the Lyndon Baines Johnson School of Public Affairs housed in a special building also containing Johnson’s papers plus the Presidential limousine on full display on the second floor. Cohen wrote Acting Dean Alexander L. Clark on March 25, 1974 hoping that the school would give consideration to a broad national internship program with a component in Washington D. C. The LBJ School as Cohen put it should be transformed into a national public service training program rather than a regional one.⁵⁹ It is difficult to determine who conceived the idea of the LBJ School of Public Affairs; Johnson or Cohen? Or possibly both? In any case the only allusion to the idea was found in a letter from LBJ to Cohen on July 16, 1971. Cohen had written LBJ that he and Eloise were on their way to Israel, and had included in his letter some reference to an idea of a School of Public Administration.

The next day on March 26, 1974, Cohen wrote to J. Douglas Brown, Princeton University commending him on his new book The Human Nature of Organization. Cohen regarded Brown as one of his mentors along with Commons, Witte, Perlman, and Altmeyer. Cohen was distressed

with the emergence of the new economics. “Here again I believe the economists of the new school (unlike the labor economists of earlier days, of which I consider you and myself a part) tend to stress economic incentives, marginal tax rates and similar related matters to the exclusions of the political, psychological, social and ethnic considerations.⁶⁰ As far as economists were concerned Cohen had not won his debate with Milton Friedman described earlier.

And the next day, March 27, 1974, Cohen wrote to J. Bruce Cardwell, then the Commissioner of Social Security, in support of the Mills-Church bill to restore social security to an independent board status along the lines of the original law of 1935. It will be recalled that some activity on the part of proponents had already taken place and was now being expressed in proposed legislation. Nothing came of this, however.

From his base at the University of Michigan and as a citizen Cohen became chairperson of the Task Force on Social Policy of the Democratic Party of elected officials. In that capacity, Cohen wrote a policy proposal to Senator Walter F. Mondale on April 21, 1974 a preliminary draft of a “Comprehensive Program for Children, Youth and the Family.” It included maternal and child health, family planning, health education, special pediatric high risk mobile units, maternity leave, pre-school institutions, and Head Start.⁶¹

Previously, reference was made to Cohen in a letter that he favored ‘homemaking’ as covered employment for social security. In early 1974 there appeared the Jordan-Griffiths bill (HR 12645) to cover homemakers.⁶² Nothing has been enacted to cover this part of the labor force.

Criticism of social security persisted, and Cohen reacted vigorously and personally. An article in Clearing House Review, June, 1974 p. 79, asserted (as had been done numerous times

before by others) that “social security is gradually coming to be seen as the public assistance program it has always been and that the insurance model of Social Security is obsolete, if indeed it was ever more than rhetoric.” Cohen objected in a letter to the National Senior Citizens Law Center that the assertions “are incorrect, unjustified, and unsound, and are the kind of statements which can only lead to foolish results.”⁶³

Always conscious that history was being made and that perhaps he was also making some of it, Cohen wrote a letter on June 5, 1974 to Sidney Fine, chairperson of the Department of History at the University of Michigan suggesting that the Department develop a series of biographies during the Roosevelt and Truman period: “With Professor Haber (Economics) Fauri (Social Work) and myself (Education) on campus, we could develop a very unusual project, e.g. Altmeyer, President Johnson, Hopkins, Perkins, etc. Secretaries of HEW – Hobby, Flemming, Folsom, Richardson, Ribicoff, Celebrezze.”⁶⁴

Cohen continued his stream of letters and memoranda to leading Democratic members of Congress, both Representatives and Senators. On June 7, 1974 there was one on tax policy. There were several tax proposals in the Congress. “I would like to remind you of a simple fact about tax proposals at the present time. If the Democrats win the Presidency for the years, 1977-85, we will need more (emphasis, Cohen) tax revenue to carry out the social and environmental reforms we Democrats advocate. Unless there is a net tax increase in 1975 and 1976, a Democratic President in 1977 will not be able to do much in domestic social reforms in 1977-79 until he proposes and wins a major tax increase bill.

“Hence, I hope that any current tax reductions will be more than balanced by income from closing loopholes.” The punchline: “Any net tax reductions now will be harmful, in my

opinion to a Democratic President in 1977 and 1978. Now is the time to get more revenue income effective in 1977!”⁶⁵

Attacks on Social Security continued in several newspapers during June, 1974. In exasperation Cohen wrote a letter of rebuttal to Warren Shores, a syndicated writer: “The Social Security concept is difficult to assimilate in American culture.”⁶⁶ Nevertheless, during the same month he circulated a statement suggesting that a consensus was emerging for national health insurance. Consensus was based on growing recognition of current deficiencies in health insurance and income levels: 30 million persons with no health insurance coverage; 50 million people have “significant” gaps in their health insurance protection, and 25 million individuals have incomes under the poverty level.”⁶⁷

Later in June 1974 Cohen wrote to Senator Hubert Jasper on the Senate Committee Labor and Public Welfare: “Whenever there is a budgetary squeeze on, it seems that national defense and brick-and-mortar programs tend to get priority. The only hope is that if national defense becomes a lower proportion of the total federal budget, and as federal revenues increase, it may be possible to set in motion [a] force which will make the federal government a more effective instrument of social policy.”⁶⁸

The Social Security payroll tax was criticized by many friends of Cohen for being regressive. Vernon M. Jordan, Jr, of the National Urban League had written Cohen about these criticisms. Cohen put his back up and repeated what he felt was worth endless repeating:

I am in favor of a number of fairly substantial and far-reaching amendments to the social security program. However, the one basic principle which I have stood for in the last forty years is that the benefits must be a matter of statutory right without a means test. (Emphasis, mine) I have fought for this policy because I believe that it safeguards the interest of minority groups [Urban League is a black organization], the disadvantaged, the aged, and dependent individuals from arbitrary and capricious interference. Consequently, I am writing to support a certain amount of payroll taxes of a regressive

nature in order that these groups may have absolute insurance that no one can take away their benefits or require them to vote or account in any way under compulsion or other pressures. (Emphasis, mine)

I hope that you will keep this point in mind when some of my very best friends start telling you about the regressive nature of the payroll tax and urge some kind of alternative change which would impair the statutory right to benefits.⁶⁹

The Ford Administration 1974-1976

Cohen's next letter, a memorandum relevant to health and welfare administration and issues, appeared on August 30, 1974. Curiously, there was no reference to President Nixon's announcement of his resignation on the evening of August 8 effective on August 9, 1974 because of the Watergate scandal. His archive deposits dealt solely with high level social, economic, and political issues and people in health and welfare. There was no record of his writing "good riddance" for example. Given Cohen's high regard for Ford who as vice-president succeeded Nixon it can be presumed that Cohen was pleased.

On August 10, 1974 Cohen wrote to the editor of the Washington Post suggesting that the Post support the idea that the Social Security Administration be converted into a nonpartisan board as it was during 1935-1946. "This would assure that the administrative implementation of a complex, comprehensive and sensitive program would be taken without any partisan political effects. Forty-five Senators have already sponsored such legislation."⁷⁰ What Cohen meant by "administrative" implementation is not clear. Did he refer to issues of micromanagement of the Social Security Administration by HEW or the need to separate its budget from the HEW budget so as to minimize budget competition with HEW? These issues were constantly problematic. There was no neat way to resolve them in an essentially political agency.

On August 19, 1974 Senator Edward S. Muskie, (D. Maine) chairperson of the Committee on the Budget, U.S. Senate and Peter A. Dominic, Ranking Minority Member of the

U.S. Senate jointly sent a letter to Cohen and, presumably, others. Their letter contained specific questions regarding economic and fiscal policy. Cohen answered at length on September 9, 1974. He showed an amazing assurance as to what was a rational and reasonable policy, both macro and micro. I quote it at length, for I had not seen anything as integrated and comprehensive in his thinking to date:

First, under different economic circumstances, different economic policies are needed. In Situation 1 – prosperity, rising demand, full capacity operations, ample supplies and inflation – restriction policies are in order. In Situation 2 – recession, slow demand, unused capacity, shortages and inflation – they are not. Second, bad news on threat of recession and unemployment, rising interest rates and rapidly advancing prices – are associated with each other in people’s mind[s]. So are good news, the expectation of improved economic conditions, of falling interest rates and of slowly rising prices.

Economic measures to improve business conditions such as tax cuts for lower-income people, reduction in interest rates or selective price controls take time. The task to defuse inflationary psychology and reestablish confidence can be accomplished faster. What is needed is to put new people in charge who are not devoted to the policies of economists in charge during 1969-1974 that are known to have failed miserably.”⁷¹

A ten-point draft memorandum on December 9, 1974 for members of the National Committee for Full Employment was sent out by Cohen. He was the chairperson. The committee was a privately sponsored organization with a prestigious membership from Congress and private citizens. The memorandum was a comprehensive list of recommendations for macroeconomic policies leading to full employment.⁷²

On December 19, 1974 these draft recommendations were supported by the National Committee. The National Committee for Full Employment committed itself to work for a guaranteed full employment program in which each individual who wishes to work will be guaranteed a job at decent wages and conditions.

“For us, full employment means no (emphasis the Committee) involuntary unemployment.”⁷³

At the beginning of 1975 Cohen becomes increasingly disturbed at what he regarded as a relentless attack on Social Security being potentially bankrupt, regressive in its pay roll tax financing and so on. He was driven to write a paper rejecting all these allegations and sent it to the following for support: Abraham Ribicoff, Charles Schottland, Marion Folsom, John Gardner, and Anthony Celebrezze. He hoped, apparently, that they would go public and assert that: future benefits were secure; the commitment of Congress can properly be described as insurance; trust funds are adequate; payroll deductions were not really regressive, because they were not graduated but guaranteed benefits; and the benefits were a matter of statutory right because there was no means test.⁷⁴

On June 19, 1975 Cohen testified before the Social Security Subcommittee of the House Committee on Ways and Means on the future of financing and benefits of the Social Security pensions: “It is vitally important that we allay the anxieties of many people about the financial sacredness of the Social Security system.” (As noted previously particularly in the Myers-Cohen “affair” he was ever anxious about public confidence in the system). He recommended that the social security payroll deductions go to \$24,000 income level in 1977. He noted that the first increase in deductions was from \$3,000 in 1951 to \$3,600 in 1960. The maximum earnings increased from \$7,800 in 1971 to \$14,000 in 1975.⁷⁵

In addition to these memoranda and testimony Cohen was constantly pushing for national health insurance, for which Medicare was the beginning. On this subject he wrote to many strategic members of Congress offering a preliminary rough draft of an outline of steps to the

eventual implementation of such a plan.⁷⁶ Cohen left no reports on the reactions to this voluminous letter and memoranda writing.

Cohen was very conscious of the power of symbols when referring to human beings. He was a humanist. For example, on June 5, 1975 he wrote a letter to Polly Shakleton in the Congress about the proposed reorganization of the District of Columbia Department of Welfare to be renamed the Department of Human Resources. He objected to the name: “I am not enthusiastic about the name - Human Resources. I do not believe people are resources to be utilized. I, therefore, suggest the name be changed to the Department of Human Development.”⁷⁷ The difference is subtle but real. He probably did not like the health services to be called an industry rather than a service or physicians and nurses called providers.

Turning from pensions and health to education, Cohen (who was a Dean of a school of education) wrote numerous letters to members of Congress on the problem of education. On August 28, 1975 he implored the Congress to override the President’s veto of the Education Appropriation Bill (HR 5901): “The national security and our domestic security requires that we invest more in education. A substantial proportion of our increasing gross national product in recent years has been due to our national investment in education.”⁷⁸ Cohen supported the economic school of investing in human capital through education.

The year 1976 was a presidential election year. Cohen wrote social policy advice to the Democratic Party. On January 8, 1976, (marked confidential), he stressed the need for universal and comprehensive health insurance but with caution.

“A Democratic President and Congress must turn the government around - but we must tell the American people it will take time and effort to do so.

“We cannot and should not recommend the millennium. We shall promise only what we know we can competently deliver. Idealism and practicality must go hand in hand.”⁷⁹

By January 31, 1976 the recommendations were no longer confidential – Cohen wrote directly to the Platform Committee of the Democratic Party. He added that the Platform should “spell out the time it will take to carry out our specific pledges – and how we will finance and distribute the cost and the administrative responsibilities. We must deal in specifics and not in vague generalities.”⁸⁰

As an ardent supporter of applied social research, not to mention medical research, Cohen was becoming alarmed at the apparent skepticism of some members of Congress with the value of social research. A bill had been introduced in the Senate by Senator Roth and under consideration by the Committee on Government Operations. If the bill were enacted, all major social research would have to be approved by the Director of the Office of Management and Budget. Cohen wrote to Senator Ribicoff to oppose this bill:

... [the bill would in effect give] the Director veto power over decisions made by officials, regardless of rank, of the Executive agencies. In my view, OMB is not and cannot be staffed with persons qualified to make judgments about scientific research...

I believe that the bill is meant to express distrust of and dissatisfaction with both social sciences (in particular social science as conducted by academics) and the agencies which sponsor such work. In that light, the bill is but the latest of a long and unfortunate series of attempts to weaken the still delicate and evolving relationships between our universities and the federal agencies sponsoring their research. It is somewhat disheartening to observe that the enormous mass of evidence attesting to both the social and the intellectual benefits of peer review of proposals and flexibility in funding accumulated in the years since the establishment of the National Science Foundation is still steadfastly ignored in some quarters. Such abuses as have occurred, either on the part of universities or on the part of funding agencies, have been only a minute fraction of the total record. In a time in which the needs for research in such fields as manpower, health insurance, housing, transportation, aging, and the economy as a whole are more apparent than ever, it is astonishing to find that a bill has been introduced calling for more rather than fewer federal controls on inquiring and analysis.⁸¹

It will be recalled that this was the period when Senator Proxmire (D. Wis.) was facetiously announcing “golden fleece” awards, for in his mind exotic research projects by researchers in all fields. Suffice it to observe that in the social sciences – economics, political sciences, sociology, anthropology and demography – there is a constant tension between the

funding of theoretical (basic) versus applied research. Briefly put, theoretical research would reveal “laws” and applied research was aimed at practical problem solving such as the distribution of physicians or who are the uninsured. Cohen was after data for problem solving. Elaboration on this interesting and sticky problem, however, could make a book. *

Cohen wanted an independent Social Security Commission similar to the Social Security Board from 1935 to 1946 to keep it minimally out of politics, but in a letter to Senator Humphrey on March 29, 1976 he objected to a separate Department of Health for he feared it would be controlled by physicians and the American Medical Association. “The health of the American people is too important to be left to the control of physicians.”⁸²

The Carter Administration 1976 -1980

In January, 1977 the Carter administration was installed after defeating Ford. Immediately, the new Secretary of HEW, Anthony Celebrezze circulated a request to a number of people including Cohen to advise him on welfare reform [Public Assistance]. Cohen replied on February 25, 1977 a “Comprehensive Plan to Be Implemented on an Incremental Basis.” He started with a General Policy.

The plan should be incremental and phased – in over a four-or-five year period so that (a) the increase in federal costs can be acceptably financed in terms of the overall federal budget and the additional needed to implement a nation[al] health insurance program, (b) to allow sufficient time for the economics of low-income states to adjust to the higher income standards; and (c) for higher income states to finance the difference between the federal standard and their existing payment level.

This was followed by a detailed phasing-in schedule for the income eligibility standard starting with \$2600 for a family of four effective the next July 1. Over a four-year period each state was to meet 95 percent of the national poverty standard. There were different standards for

* I have been an applied social researcher relating to public policy in the health field all my professional life and quite aware of the tensions. See my book: *The Evolution of Health Services Research: Personal Reflections on Applied Social Science*. San Francisco, Jossey - Bass Publishers. 1991

Aid to Families of Dependent Children. (i.e., no fathers present), with extension to all families with children, 12 months later plus food stamps; extension to married couples with dependents (other than children under age 21) 12 months after that; then extension to other married couples and single persons 12 months later, plus comprehensive medical care coverage under a national health insurance system; finally, increased federal spending for Medicaid and AFDC payments beginning in 1978 and 1979 with provisions which would relieve localities (such as New York City) of local cost and apply the same income standards to Medicaid and cash payments toward income.⁸³

Cohen also briefly outlined a plan for work incentives to take public assistance recipients partially or completely off assistance. It is apparent that Cohen wished to resume the War on Poverty momentum of the Johnson administration when he was Secretary of HEW that had been slowed by the Nixon-Ford administration.

On May 9, 1977 Cohen wrote a “suggested” editorial for the New York Times on President Carter’s social security financing proposals, a retrospective review of the administration of the Social Security Act that, I gather, Cohen hoped would continue to progress in the new administration:

Concern over trust in government processes and the ability of government to deliver its promises have been big issues in recent years. Both Congress and the Executive Branch during the period 1973-76 failed to respond to these concerns as they relate to the most extensive governmental social programs which currently involves disbursement of \$80 billion annually, 33 million beneficiaries, 100 million individual contributors and over 5 million business enterprises.

The Congress, irrespective of party affiliations, has had a remarkable record of fiscal responsibility over the years with respect to Social Security. The Carter administration should restore the effective cooperative (sic) between the Executive and Legislative branch in the financing of the program which was the hallmark of previous relations under the guiding genius of Senator Vandenburg, Harry Byrd, Sr., Robert L. Daughton, Wilbur Mills, Robert Kerr, and, currently, Representative Ullman, and Senator Russell Long.

We can properly look at the Congress as the Board of Directors of the massive social insurance program. The President as the chairman of the Board, The Secretary of HEW as the Chief Executive Officer and the Secretary of the Treasury as the Chairman of the Finance Committee.”⁸⁴

This was Cohen's dream of a non-partisan consensus of how trust in the government with respect to social security can be maintained and administered.

By August, 1977 Cohen was becoming disillusioned. He wrote I.S. Falk, a former colleague in the Social Security Board and Director of the Bureau of Research and Statistics, fired by the Eisenhower administration, and subsequently at Yale University. Cohen commented on Falk's article "Proposals for National Health Insurance," Health and Society, Spring, 1977: "I wish I could be optimistic about the point of view you express, but I can't. The situation is even more difficult in Congress now than a few years ago. Congressman Ullman and Senator Long are even less willing to work out something constructive (from a public sector point of view) than Wilbur Mills would have been willing to do."

Cohen was experiencing a generation change as he continued: "The new and younger' medical economists who have come into the Department of HEW and in other big places in the executive and legislative branches do not share your point of view. They are skeptics and suspicious of the view of all us 'old timers.'"⁸⁵

Near the end of August he wrote Eveline Burns, a long time social insurance colleague, telling her that he would retire as Dean of the School of Education, (retaining his Professorship until retirement age in 1979) "and devote the next five years to my professional interests." Apparently he foresaw continuing political engagement beyond full retirement. "My first priority is to get the social security system back on a sound financial basis."⁸⁶

Early in September 1977 he wrote Senator Edward Kennedy what seems to be a wistful letter hoping not to lose contact in the Congress: "Dear Ted, while I think: of you often, I have not wanted to bother you with my current ideas on national health insurance, welfare reform, social security financing, or other issues I am working on. I am available anytime you think I can be of help to you."⁸⁷

Cohen's last memorandum for 1977, on December 22, was to Secretary of HEW Joseph A. Califano, Jr., suggesting that there be created a position of historian for HEW.⁸⁸ Throughout his professional life Cohen wanted an institutional memory of the welfare state and its participants.

On the very first day of January, 1978 Cohen fired a round robin letter to many members of Congress and the administration, including Califano, ., the Secretary of HEW, regarding an outline of a "Possible Step by Step Development of Major Provision of Comprehensive National

Health Insurance Legislation with due regard to Fiscal Feasibility.” He visualized a development period of sixty months (five years) the same time period he had recommended previously for welfare reform. The age for eligibility for Medicare should be reduced to sixty, mothers and children under six should also be covered. Convert Medicare to a nationwide uniform low income program in 24 months, dental care under 18 in 42 months and all adults after 51 to 54 months. Establish a National Health Insurance Trust Fund financed by a 1 percent tax on individuals up to \$100,000 a year, 2 percent up to \$500,000, and 3 percent for those over \$500,000. There should also be gift and corporate taxes. ⁸⁹

Attacks on HEW continued by prominent business men and a Superintendent of Schools in Oakley, Kansas. For example, in the February 1978 issue of The Nation’s Business The business men assumed that the HEW was “bloated and unmanageable and the Superintendent of Schools wrote humorously: “I favor breaking up HEW into separate departments only on one condition that the headquarters be in Siberia, The Education Department in Uganda, and the Civil Rights Department in the North Pole. Otherwise, let’s leave it as it is – large, unmanageable, inept, inconsistent, obnoxious, and comical.”⁹⁰ It would seem that this attack was from an extreme viewpoint, hardly representative of the country. Nevertheless, the fact that it appeared at all in The Nation’s Business was symptomatic. Cohen wrote no rebuttal, at least there was none in the archives.

Cohen’s distress with the Carter administration’s handling of Social Security increased in intensity. Cohen had been appointed by Carter to the National Commission on Social Security which was to report to the President in May 1979. [Alvin] David wrote on January 13, 1978 about the concept of coupling and decoupling in social security, i.e., whether or not automatically to increase benefits and the maximum income limit for payroll deduction or do so separately depending on the reserve fund; `Cohen responded on January 23, 1978: “Of course, you are correct that the automatic adjustment of earnings and benefits is an exceedingly significant aspect of the social security system. But I still believe it turned out to be a mistake in timing. It gave rise to the whole bankruptcy discussion in the press and has resulted in undermining of the public confident in the social security system. That is a serious setback. Moreover, the situation is compounded now by the 1978 Amendments which alienate the middle class support which has been so important to the acceptance of the system”.

Alvin David had been a top official in the Social Security Administration with Robert Ball as Commissioner. Cohen's letter to David was also sent to Robert Ball, Bert Seidman and Nelson Cruikshank (AFL-CIO), J. Douglas Brown of Princeton and others. Cohen continued:

Now we must find a way to repair the difficulties. Since you and Bob Ball left, there is nobody in the Administration who will defend and explain the programs. The public information program in SSA is not very good. The staff morale is also very poor through the SSA. Neither Secretary Califano nor President Carter have really gone all out to defend and explain the programs. It is a good program and someone at the highest level of political leadership should be willing to say that repeatedly.

I am disappointed because it does not appear so far that the Carter Administration is really willing to appoint a new Social Security Commissioner to undertake the task of restoring social security to its original place of high regard in the government system. I hope I am wrong and the new Commissioner will be such a vital active person.

Just a small item: the signing ceremony in the social security amendments of 1977 on December 20, 1977 was a dismal disappointment to me. President Carter walked in and walked out as if it were the signing of a bill to distribute sea-shells to the boy scouts and girl scouts. He used only two pens and walked out without talking to anyone but the few members of Congress who were there that early in the morning.

The failure for one whole year of the Administration to appoint the Advisory Council on Social Security is another miscalculation. It just shows that those in charge don't have a sense of real priorities and political strategy on social security.

There needs to be a carefully organized legislative and public information programs to get social security back in the good graces of the American people. As you know for several years I have been advocating the reestablishment of an American Association of Social Security. I think it is urgently needed right now. We should press for it. It should advocate making SSA into a Board and for some general fund financing, probably for one-half to two-thirds of Medicare costs and universal coverage. (Emphasis mine, as stated earlier, Cohen wanted payroll taxes for pensions to relate benefits to earnings, but health insurance was another matter, financing by graduated income tax, excise tax, etc).

Please write me and give me your ideas. I don't have much confidence in the initiative of the Carter Administration in this matter. So tell me how you think we should proceed. I will send this letter to Bob Ball, Bert Seidman, and Nelson Cruikshank. Maybe we should get together and develop a whole new strategy for 1979.⁹¹

David and Ball had retired; Cruikshank had retired. The early giants of social security, Witte and Altmeyer were dead. An era had ended. Cohen was struggling to maintain the tradition and he was 65 years old and nearing retirement.

From his Michigan residence Cohen seemed to be taking on anybody who in his view was eroding the original concept of the Social Security Act. One of them was economist Henry Aaron, Assistant Secretary, Planning and Evaluation, HEW – on leave from the Brookings Institution. On February 15, 1978, Cohen replied to Aaron’s letter of January 25, 1978:

The major purpose of the tax and benefits provisions of the social security program is to create an eligibility right to benefits which will prevent the ‘normal’ processes of the budgetary procedure to affect the benefits. The payment of retirement and insurance benefits requires a stability and guarantee (emphasis Cohen) that must isolate both income and outgo from the uncertainties of change of administration and budgetary cutback. I would add that a gigantic and virtually important program such as social security should not be thought of as a convenient vehicle to modify fiscal policy or to meet requirements of the unified budget. Of course, the program should be subject to legislature modification in accord with changing priorities and needs, but it should not be subject to administrative change which is a fad at the moment (emphasis mine). In any case it must be free from partisan political interference. The essential element of right to benefits, a moral and political guarantee by the Federal government, and a Federal court review, are all essential to public support of the program.

Unfortunately, the social security program has become battered by a series of events which have undermined public and congressional confidence in the system. (Then he lists the major elements such as, attacks on regressivity of any payroll tax, to repeal the system and to make it voluntary, the “firing” of Ball by Nixon, indexing that ties benefits to inflation rather than productivity, attacks by economists on the “myth” that social security is insurance, the 1977 legislation which raised payroll taxes too much and too fast.)

I believe that the idea of a Board helps to give the public the confidence that the program is in the hands of an impartial group, which will not and cannot manipulate the program for political purposes.

Moreover, it will prevent one individual coming into power, whether a Nixon, Weinberger, or Friedman, who will try to change the basic system into normal budgetary cutbacks, etc. I think that is the coming issue: people who want to cut back on social security, and increase private pensions at the expense of the public programs.⁹² (Emphasis, Cohen).

On December 19, 1978, one day before a delegation was to meet with President Carter on his administration’s proposals for social security, Robert Ball, Wilbur J. Cohen, and Nelson Cruikshank sent a joint memorandum to the President stating that since Fiscal Year 1969 the

separately financed benefits of social security have been lumped with the general revenue expenditures of the rest of the Department of HEW in the budget ceiling given the Department: thus the Department makes proposals to cut social security benefits usually-- quite unrealistic ones-- as a way of protecting other Department programs. The signers of the memorandum were of course, opposed to this kind of incursion on the Social Security Trust Fund for Fiscal year 1980.⁹³

On January 8, 1979 Cohen wrote a very hot letter to President Carter after the December 20 meeting, a kind of letter that presidents' probably rarely receive from former secretaries of HEW. I quote it in its entirety:

In the intervening period I have been reflecting on your closing question to us as to whether or not social security is sacrosanct (emphasis, mine). I regret that we did not have time in the meeting to follow up on your important inquiry.

I recognize the need for reexamination of the program in the light of changing conditions and priorities. That is one of the reasons for the three advisory groups which have been established, none of which were consulted on the proposals. In addition, I don't think the promises made by the Government in permanent legislation should be broken by a President and Congress without an acceptable quid pro quo. The benefits in the social security system are a social compact between the contributors and the government. An attempt by a President to break this compact, a moral and political commitment embodied in the law, will undermine the faith of people in the future promises of their President and their government.

It is not a valid answer to say a particular benefit should be repealed because it is not 'central' to the purpose of the system, or is not an 'efficient' method of carrying out the objective, or can be met through some other welfare program or other income – and – resource – tested program. Breaking a legislature's promise is a serious matter and when it involves the human rights of people is all the more profound.

As you can see, I feel very strongly about this matter and deeply regret what I understand from our subsequent conversation with Secretary Califano is a determination to go ahead on this unfortunate – and to me immoral – course. I hope you will understand, therefore, that my conscience would not allow me to support the changes and that as a former trustee of the social security system I would have to oppose them publicly as a matter of principle. I am sure others will have to do likewise. This is not a happy outlook for persons such as myself who supported you [for President] against the doubts of many of our associates.

As a former Secretary of Health, and Welfare, I can only repeat what I said to Secretary Califano: I am shocked and ashamed that the Democratic Administration would propose such a change, without adequate consultations, and with such little weight given to the far-reaching implications of the action.

I am sure that if Bob Ball and I had been consulted earlier we could have made some constructive suggestions to help in meeting your objectives, but the closed names – and the lack of consultation with the contributors to the system – in which HEW formulated these ‘horrendous’ changes (as Bob Ball stated to you) is in itself an indictment of the Administration’s procedures and policy.⁹⁴ (Letter went to Ball, Cruikshank, Seidman, Wickenden, and J.D. Brown)

After this letter on January 9, 1979, Cohen wrote an acid letter to Stan Ross, the new Social Security Commissioner, “for telephoning me (and Bob Ball) concerning the reorganization of social security -- I shall study the action carefully. While I appreciate the courtesy you showed me, I must repeat that a telephone call after all decisions are made is not consultation, Nor am I requesting that you consult with me. You have the responsibility for operating the program. But HEW has a lot to learn about how to win friends and influence people.”⁹⁵

Particularly poignant was a letter from Cohen on January 11, 1979 to Vice-President Walter F. Mondale, a friend and colleague:

I am deeply upset by President Carter and Joe Califano’s decision to propose legislative changes in the insurance (Emphasis, Cohen) benefits of the social security system. I campaigned for the Carter-Mondale ticket and I thought I was supporting an Administration which would defend and strengthen the social security system –Now I find my expectations completely in error. Enclosed is a letter I sent President Carter [January 8, 1979 quoted] after our meeting with him. I cannot yet believe he understands the difficulties he will be creating for many of his supporters in the Congress and in the Democratic Party.”⁹⁶

Apparently Carter was trying to make amends through his Assistant, Stuart E. Eizenstat: from the White House, in a letter dated January 23, Eizenstat invited Cohen to talk with him. Cohen replied:

Appreciate your invitation to talk with me. I am in Washington quite frequently. I will be there on the afternoon of Wednesday, February 3 and all day Thursday, February 8. In addition I am planning to be there on Wednesday February 14. I should be glad to meet with you. I believe it is especially important to work out amendments on disability insurance and on changes in financing the system in 1981 and thereafter. I would be glad to work cooperatively with Bob Hall and Nelson Cruikshank in these matters to see if we can come to some common understanding and approach.

It was only with the greatest reluctance and personal turmoil that I felt I had to come out publicly to oppose the social security cutbacks in the budget. I hope you will appreciate that I never publicly criticized President Carter. [The letter of January 9 was personal and confidential.] I trust there will be an opportunity to develop a constructive program of social security changes which President Carter can advocate.

The outpouring of support of many groups in opposition to the social security cutbacks has been most astonishing to me. Many 'conservatives' among the older groups have joined with tradition 'liberals.' Moreover, the young and disabled have joined with the old, minority groups, and women. The poor, affluent, and middle - income groups have also indicated their support of opposition. I hope your colleague will not underestimate the potential in this alignment.⁹⁷

There was no record in the archives that Cohen and Eizenstat ever met.

On February 23, 1979 the Democratic Study Group of the House of Representatives outlined the changes that the Carter Administration proposed at the meeting on December 20, 1979. The proposed cutbacks in social security benefits would total \$600 million in FY 1980 and more than \$4 billion in FY 1984. These would impact primarily on the poor, young, and disabled. These cutbacks related to elimination of lump-sum death benefits, phasing out postsecondary school student benefits, limited the maximum family disability benefits, offset federal retirees social security benefits for a portion of their federal pensions, and a few other cuts here and there.⁹⁸

On March 8 Cohen fired off a critical letter to Max Frankl, Editorial Page, The New York Times: "Your several editorials on social security are simply awful (Emphasis, Cohen) you are falling into the simplistic-solution trap and not talking to people who know the pitfalls you are proposing.

I am sorry to see you part of the movement which is helping to convert social security into a welfare system. I believe you are on the wrong track.”⁹⁹

Cohen organized and became chairperson of Save Our Social Security, a coalition of 125 organizations. He wrote letters to Rosalyn Carter on March 31 and May 14 asking her to intervene with her husband the President. Cohen also wrote Ladybird Johnson to intervene with Jake Pickle, (D, TX) to continue L.B.J.’s heritage¹⁰⁰ (L.B.J. had died in 1973).

Even during this seemingly hectic environment Cohen answered a letter from a Mrs. Harriet Oliveri, Holbrook, N.Y. on April 25, 1979. She had asked him to comment on war and killing. He wrote in part:

I believe, in principle, in the biblical commandment which states, Thou Shall Not Kill. I believe that it is immoral to kill, directly or indirectly.

But mankind is fallible. We can aspire to be moral and perfect, but it is not in the nature of the human being, or the institutions he has created, to be able to carry out all moral precepts in a perfect manner.

War would be immoral even if not a single person were killed. It devastates the land and destroys the homes and precious keep-sakes of innocent people.

Poverty and indignity are also immoral. To degrade the human personality is like war or assault on the individual, and repeated and continuous degradation is in one sense worse than murder.

The horrible injustices perpetrated by Hilter, Mussolini, and Tojo had to be opposed. Mankind wants freedom and opportunity even if it means death to himself and other innocent people.

The basic problem is to recognize the inherent virtues and evils in the human mind. Our best hope in constraining the evil within us is to make all major decisions subject to public scrutiny and review. In this way we might minimize error. But I doubt that it is possible for us to avoid some mistakes.

I think President Truman had a responsibility to bring the war [WWII] to a successful conclusion as quickly as possible. His moral and political responsibility was to save American lives. He did his duty as he saw it. I don’t see any difference in principle in killing a man by a gun or a bomb. Once the Japanese had declared war on us, the moral responsibility on our part to defend ourselves was paramount.

I also believe that Mr. Truman’s decision to use the atomic bomb was decided on military necessity grounds. Even if he hadn’t used it, it would not have prevented its

development by other nations. I believe his use of it then has and will prevent its future use.¹⁰¹

Back to Cohen's distress with the Carter Administration: he wrote to Thomas P. O'Neill

(Tip) (D, MA) Speaker of the House of Representative on June 12, 1979 who acknowledged Cohen's contribution to the Democratic Congressional Campaign Committee. Cohen wrote:

Tip, the Carter Administration is jeopardizing our effort to elect progressive Democratic members of Congress in 1980 and to elect a Democratic President. The Disability Insurance Amendments sponsored by Jake Pickle (Texas) in H.R. 3236 and recommended to you by Secretary Califano is a bad (emphasis, Cohen) bill and in my opinion every Democrat who votes for it will be criticized by aged and disabled organizations, minority and women's groups in the 1980 campaign. Passage of the disability insurance bill is going to hurt us, Tip. Please think over what Joe Califano and Carter are doing to our 1980 chances. There are 37 million persons over age 60 and several million disabled persons.¹⁰²

The bill passed in the House. Cohen wrote all of the members of Congress expressing his disappointment. This defeat apparently ended Cohen's influence in Washington. In the Fall of 1979 he retired from the University of Michigan and accepted a position as Professor of Welfare Administration at the Lyndon Baines Johnson School of Public Affairs, University of Texas in Austin. His wife, Eloise owned a small ranch near Austin. They bought a house in Austin, and retained their Ann Arbor and Washington area homes. Cohen's archives in both the L.B.J.'s Library and the State of Wisconsin historical Library are sparse after 1980.

The only person I know who saw Cohen in Austin after 1980 is Professor H. Edwin Young, Emeritus Professor of Economics (Labor Economic) former Dean of the College of Letters and Science, Former Chancellor of University of Wisconsin - Madison, and former President of the University of Wisconsin System, 1976-1980. (Interviewed in Madison, October 28, 1991). Young visited Cohen three times between 1980 and 1987. He reported that Cohen "kept busy and did not do anything." At each visit Cohen showed Young pictures of prominent people he had known and worked with and was very proud of that. Cohen seemed happy, and

was trying to write articles. He died in Seoul, South Korea on May 1987 of a heart attack at the age of 73. He was attending an international conference on social security!

Cohen did write an article for Hospitals in 1980, the journal of the American Hospital Association in which he reminisces on ten lessons he had learned from Medicare and Medicaid, appropriately I believe ending the chronological part of this book.

Among the lessons Cohen learned in retrospect was that “this sequence of events [Medicare and Medicaid in 1965] brought the Federal Government into the main stream of health policy administration. I felt we had to get our feet wet in working with hospitals and physicians to discover ways and means of resolving problems rather than debating ideology in a vacuum. (p.14) Including a deductible in Medicare, Robert M. Ball, Commissioner of Social Security said, would result in “administration chaos.” When his judgment was brought to President Kennedy he replied with a smile, “well, then, let’s have a little chaos.” (p. 5)

The Medicare legislation started under Kennedy, but was taken over by Johnson as President after the assassination of Kennedy. Johnson readily accepted Part B of the legislation which included physicians’ services for Social Security pensioners who voluntarily selected them and paid for them by deductions from their pensions. In addition he accepted the \$500 million federal subsidy from general revenue to help pay the premium: “The President did not bat an eye. He accepted the situation calmly, which I took for approval and clearance. It was a strange and unique way in which to make a major policy decision. There was no policy clearance with others in the Department [HEW] or in the Budget Bureau or White House [staff]. [Wilber D.] Mills had scored a coup. Johnson immediately realized it. I was the intermediary [as Secretary] for a major expansion of our proposal without any intervening details of the proposal

as developed by the staff. In this case, the Federal Government was moving into a major area of medical care with practically no review of alternatives, options, tradeoffs, or costs.” (p.6)

An issue among physicians, mainly radiologists, pathologists, and anesthesiologists was their inclusion in the hospital part A of the Act as part of the hospital reimbursement and enhanced hospital control of these specialists. A radiologist in Little Rock, Ark. who knew Mills persuaded him to include the specialists in Part B, instead of Part A, thus reducing the control by hospitals. (p. 7)

The principle of “reasonable” cost for both hospitals and physicians was severely criticized after the Medicare Act went into effect because it was open-ended. Cohen describes the context in which this principle was adopted. He wrote that the principle was never seriously debated or opposed during the period 1961-1965:

“As far as I can recollect, no one criticized it during the legislation process as a ‘cost plus’ principle. No one thought of it as a basis for inflationary price or cost rises. It was accepted not only because no other alternative was proposed, but because conventional wisdom at the time accepted reasonable cost as a reasonable principle.” (p.8) It will be recalled that the economy was then not in an inflationary period. The support by hospitals and physicians was paramount.

“As I look back on the 45 years I worked on health policy issues, programs, and policies (1940-85) and especially the Medicare-Medicaid period (1950-1968), I see the Medicare and Medicaid legislation of 1965 as part of a long-time process – a continuation from the past, a creation in a particular moment of time, an incremental evolution for the future.” (p.10)¹⁰³

In this paragraph Cohen comes close to being an historical determinist. He did subscribe to generational swings of “fullness” of time “for changes.” It would seem that during the Carter and Reagan administration he was not a part of that swing period. He was not the right type. He

felt actually left out. He must have known why but he was reluctant to believe it. He had been in the mainstream of policy for so many years in and out of government.

References

1. WJC Papers Memorandum to the President re briefing of Mr. Robert Finch, January 1969. October 1968. January 1969, Folder, Chronological correspondence.
2. Wilbur J. Cohen. National Health Insurance - Problems and Prospects: the 1970 Michael M. Davis Lecture, April 15, 1970 Sponsored and presented by the Center for Health Administration Studies Graduate School of Business, University of Chicago, 1970. p.1.
3. WJC Papers, January, 1969. 1968 - 1969, Folder, Signers Copy, January, 1969.
4. WJC Papers, Box 239, Chronological Correspondence October, 1969.
5. WJC Papers, Box 240, Folder 3, Chronological Correspondence, January 1970.
6. WJC Papers, Box 240. Folder, Chronological Correspondence, February, 1970.
7. WJC Papers, Box 240, Chronological Correspondence, February, 1970.
8. Ibid.
9. WAC Papers. National Conference on Social Welfare, 1970-1979 Box 227, Folder7.
10. WAC Papers, Box 240, Folder, Chronological Correspondence, February, 1970.
11. Record-Senate, June 3, 1970 sent me by Robert J. Myers on June 4, 1991.
12. Robert J. Myers, "Social Security at the Cross-Roads." Reader's Digest 96:81-85, May 1970.
13. Society of Actuaries, Transactions, Vol. XXII Part II Discussions p D313, 1970.
14. WJC Papers, Robert J. Myers, 1969-1979, Box 223, Folder 13.
15. Ibid.
16. Ibid.
17. Ibid. See also a fuller and personal account in: Robert J. Myers with Richard L. Vernaci, *Within the System, My Half Century in Social Security*. Winsted, Conn., ACTEX Publications, 1992, Chapter 7, "A Matter of Principle."
18. Author's Private Files, Interviews with Myers and Ball, May 21, 1991
19. WJC Papers, Box 241, Folder 5, Chronological Correspondence, November, 1970.
20. WJC Papers Box 241, Folder, Chronological Correspondence, December, 1970.
21. Ibid.
22. WJC Papers, Box 241 (6) Chronological Correspondence, February 1971.
23. WJC Papers, Box 241 (8) Chronological Correspondence, March, 1971.
24. WJC Papers, Box 241 (9) Chronological Correspondence, April-May, 1971.
25. Ibid.
26. Ibid.
27. WJC Papers, Box 241 Folder 10, Chronological Correspondence, June, 1971.
28. W.J. Cohen, "Toward the elimination of poverty" Current History, 64 (382) 268-272, June, 1973
29. WJC Papers, Box 242, Folder 1, July-August-September, Chronological Correspondence, 1971.
30. Ibid.
31. Wilbur J. Cohen and Milton Friedman, *Social Security: Universal or Selective*. Washington, D.C. 1 American Enterprise Institute, 1972, p. 69.
32. WJC, Box 242, Folder 2, Chronological Correspondence, October, November, December, 1971.
33. Ibid.
34. WJC Papers, Walter Mondale (Senator) 1969-1979, Box 223, Folder 4.
35. WJC Papers, Box 242, Folder 3, January-February, 1972.

36. WJC Papers, Box 242, Folder 5, Chronological Correspondence May-June, 1972.
37. WJC Papers, Box 242, Folder 4, Chronological Correspondence, March, 1972.
38. WJC Papers Box 242, Folder 6, Chronological Correspondence, July-September, 1972.
39. Ibid.
40. Wilbur J. Cohen Folder, 1972. (check reference)
41. WJC Papers, Box 243, Folder 1, Chronological Correspondence, October-December, 1972.
42. WJC Papers, Box 243, Folder 2, Chronological
43. WJC Papers, Box 243, Folder 3, Chronological Correspondence, March, 1973.
44. WJC Papers, Box 223, Folder 4, Walter Mondale (Senator) 1969-1979.
45. WJC Papers, Folder 4, Chronological Correspondence, April-June, 1973.
46. WJC Papers, Box 243, Folder 5, Chronological Correspondence, July-September 1976.
47. Ibid.
48. AMA Medical News, September 1973, p-2.
49. WJC Papers, Box 243 Folder 6, Chronological Correspondence, October -December, 1973.
50. WJC Papers, Robert Ball, Box 201, Folder 4, 1969-1970.
51. Ibid.
52. Ibid.
53. Ibid.
54. WJC Papers, Box 243, Folder 7, Chronological Correspondence, January, 1974.
55. WJC Papers, Box 243, Folder 8, Chronological Correspondence, February-March, 1974.
56. Ibid.
57. WJC Papers, Walter F. Mondale, Box 223, Folder 4, 1974.
58. WJC Papers, Box 243, Folder 8, op. int.
59. WJC Papers, Box 243, Folder 8, Chronological Correspondence, February-March, 2974 and Wilbur J. Cohen February, LBJ Library.
60. Ibid.
61. WJC Papers, Box 223, Folder 4, Walter, F. Mondale, 1969-1979.
62. WJC Papers, Folder 1, Chronological Correspondence, April-June 1974.
63. WJC Papers, Folder 2, Chronological Correspondence, July-August, 1974.
64. WJC Papers, Box 244, Folder 1, Chronological Correspondence, April-June, 1974.
65. Ibid.
66. Ibid.
67. Ibid.
68. Ibid.
69. Ibid.
70. WJC Papers, Box 244, Folder 2, Chronological Correspondence, July-September, 1974.
71. Ibid.
72. WJC Papers, Box 227, Folder 4, National Committee for Full Employment, 1974-1975.
73. Ibid.
74. WJC Papers Box 244, Folder 4, Chronological Correspondence, January-March, 1975.
75. Ibid.
76. Ibid.
77. Ibid.
78. WJC Papers, Box 244, Folder 6, Chronological Correspondence, July-September, 1975.

79. WJC Papers, Box 245, Folder 2, Chronological Correspondence, January-February, 1976.
80. WJC Papers, Box 201, Folder 4, Robert Ball 1969-1979.
81. WJC Papers, Box 245 op. c--t.
82. WJC Papers, Box 245, Folder 3, Chronological Correspondence March-April, 1976.
83. WJC Papers Box 246, Folder 1, Chronological Correspondence, January-February 1977.
84. WJC Papers, Box 246, Folder 2, Chronological Correspondence, April-May 1977.
85. WJC Papers, Box 246, Folder 4, Chronological Correspondence, August-September, 1977.
86. WJC Papers, Box 246, Ibid.
87. WJC Paper, Box 246, Ibid.
88. WJC Paper, Box 246, Folder 6, Chronological Correspondence, January-March, 1978.
89. WJC Papers, Box 246, Folder 6, Chronological Correspondence, January-March, 1978.
90. Ibid.
91. WJC Papers, Ibid.
92. WJC Papers, Box 246, Folder 6, Chronological Correspondence, January-March, 1978.
93. WJC Papers Box 204, Folder 7, Jimmy Carter Meeting on December 20, 1978, 1978-1979.
94. WJC Papers, Box 247, Folder 4, Chronological Correspondence, January-March, 1979.
95. WJC Papers, Box 247, Folder 7, Chronological Correspondence, January-March 1979.
96. WJC Papers, Box 247, Folder 4, Chronological Correspondence, January-March, 1979.
97. WJC Papers, Box 247, Folder 4, Chronological Correspondence, January-March 1979.
98. WJC Papers, Box 204, Folder 7, Jimmy Carter, 1978-1979.
99. WJC Papers, Box 247, Folder 4, Chronological Correspondence, January-March, 1979
(Copies to Wickender, Ball and Cruikshank)
100. WJC Papers, Box 204, Folder 8, Jimmy Carter 1978-1979
101. WJC Papers, Box 247, Folder 5, Chronological Correspondence, April-June, 1979.
102. WJC Papers, Box 247, Folder 5, Chronological Correspondence, April-June, 1979.
103. Wilbur J. Cohen, "Medicare, Medicaid, 10 Lessons Learned," Hospitals 59:44-47, August 1, 1985

Chapter 9: Who Was Wilbur J. Cohen?

It is likely that Cohen never asked himself that question. He was not a complex person. He was a clear, self-defined product from early in the life of a vibrant political environment in the Progressive-Populist tradition of Robert LaFollette, Sr. and his two sons -- Philip and Robert LaFollette, Jr. La Follette Sr. was governor of Wisconsin and then Senator to Washington. He even tried for the Presidency in 1908, 1912 and 1924 but never got the nomination. Philip was Governor of Wisconsin and Robert Jr. was U.S. senator from Wisconsin in the Thirties. The Progressive-Populist philosophy was not complex either. Destroy the monopoly powers of big business and the power it wielded in the state legislature and the Congress – in short – back to the people.

As a product of this tradition Cohen favored the private ownership of the means of production and distribution. In short -- the classical market concept. However, he believed that social insurance should protect against the recurrence of booms and busts in the economy, the imminent risks of loss of income due to unemployment, death of a wage earner, disability, the unpredictable costs of medical care threatening family solvency, and not having a retirement income. In addition, “natural” monopolies such as electric power should be regulated public utilities.

Cohen learned from Commons, Perlman, and Witte: labor economists at the University of Wisconsin and later from Altmeyer on the Social Security Board in Washington who was also a product of Wisconsin. They all supported the concept of market capitalism but “capitalism with a human face” with social insurance through government.

They were not classical socialists except to those who believed that social insurance itself with compulsory deductions from wages was socialistic – the entering wedge to government

ownership of the means of production and distribution. Common to the entire spectrum of left to right, however, was representative government elected by the people: a balance of power between the judiciary, Congress, and the executive branches; government control of the currency and police power; and related concepts characteristic of a liberal-democratic society. The central issue is the role of the government in the macro and micro management of the economy.

The Progressives in the American context differed in degree from the liberal-democratic capitalists of western European countries. The Progressives regarded the United States as historically behind Europe in its social insurance development. The United States would and should catch up with Europe eventually. The beginning, of course, was the Social Security Act of 1935.

As long as the political spectrum of a country is not polarized it is possible for a person of Cohen's political philosophy and temperament to function. Such a person needs the extremes of left and right and can use them as reference points when there are minorities on each side of the vital political center, the majority. The left and right need to court the vital center in order to get elected.¹ Remember what happened to Goldwater in the Johnson and Goldwater election of 1964, or to the McGovern-Nixon election of 1972.

I will describe Cohen in this chapter as he revealed himself mainly as a public person in his letters, speeches, memoranda and articles. I also knew him quite well personally. I will draw on letters to Cohen from those who knew him and described him in action. He revealed little of himself as a private person, or of his family life, at least in the archives available to me, in Madison and Austin, Texas. Mainly he favored having his archives in Madison, Wisconsin because of its tradition and the professors he worked with and admired, and who gave him the opportunity to engage in his social mission.

He rarely made personal attacks on people he did not like, but he wrote glowingly about people he did like, even those who disagreed with him. His son Bruce told me that his father had an aphorism: “If you dislike somebody ignore him.” Twice in my research he came close to ignoring his own advice in his letters to President Carter and Marjorie Shearon cited earlier. Still, it seems Cohen attacked the issues rather than the person in these instances. I, therefore, will not probe into his motives, family life, or engage in psychological analysis. To that limited extent I am a behaviorist; a person is revealed mostly by behavior.

In the multi-ethnic environment of Milwaukee, a city reflecting the American optimistic go-getter atmosphere of the midwest, Cohen experienced little sense of the tragic. I had anticipated that given his Jewish background – although not orthodox, but a cultural Jew – he would have at least subliminally absorbed some of the tragic history of the Jews. He was, however, interested enough to trace his ancestry through England and Scotland to Poland. He transcended his name. He was conscious of his ancestry but discounted it as influencing his relationship with people.

Cohen dealt straightforwardly with everyone, left, right, and center. He was sought for his prodigious knowledge of social insurance and welfare which he shared fully. In several instances, however, I thought he was devious: for example during the fierce debate on Medicare. Physicians and hospital administrators were worried that Medicare would interfere with their decisions and operations. “Not so” was Cohen’s answer. The preamble to Medicare states flatly that there would be no such interference, although one paragraph mandated utilization review committees in hospitals for length of stay. Either Cohen was devious about the power of funding sources to affect operations or he was naïve – the latter I do not believe. Eventually, of course, came diagnostic related groups (DRG) and resource based fee schedules for physicians (RBVS)

which were intended to influence the operation of the health services. Robert Ball, however, told me (in an interview on May 20, 1991) that Cohen was devious in his tactics, but it was clear to his opposition what he was doing. Cohen knew, according to Ball, that Medicare eventually would interfere with the practice of medicine.

Cohen had essentially a philosophically conservative view of the structure of American society and its family structure. Everyone should be hard working and self reliant. The family and the educational system would assure these values. He had a middle class nuclear family concept of the family. He experienced such a family unit as a child and as an adult. Aid to Dependent Children (ADC) was a device to support widows and children, according to the standard existing model of the time. Children born out of wedlock were then a relatively small minority and were absorbed more or less into the extended family structure. Education was the keystone to upward mobility.

Cohen also had a sense of noblesse oblige, caring for the unfortunate. He was oriented toward social work rather than medicine, public health, management, or finance. He embraced all these fields but within a social work framework. He realized that giving people money was not, in itself, enough. A minority did not know how to handle money or their own lives. The social work profession needed to be expanded to engage in counseling these people. He was paternalistic but also wished to assure a high minimum base of income so that people would become self sufficient on the broad middle class model. Government was the main vehicle to accomplish this but with rational interrelationships of public and private sectors.

Cohen was prudent in his management of his income living comfortably enough as a government bureaucrat and professor. His sons reported that he was a “good provider” conscious of his family responsibilities. According to his son Christopher his father made “all the family

decisions,” the usual model at that time of the middle class father (Interview, September 17, 1991). Cohen worked incessantly. Christopher and his wife Judy remarked that “Wilbur would have made an excellent business man. He could read and understand a budget, government or private.”

I asked Ball, Ida Merriam, and A. Sidney Johnson about Cohen’s style of administration. Ball and Cohen had been government colleagues for years; Merriam had worked under Cohen when he was Director of the Bureau of Research and Statistics; and Sidney Johnson had been his general assistant during the latter part of the Johnson administration. (Later S. Johnson was on Senator Mondale’s staff.)

Both Merriam (telephone interview March 19, 1992) and S. Johnson (interview in Madison, WI on May 2, 1992) said that Cohen’s style was to layout a general framework in which they could develop data, write reports, and help in paper and speech writing. He was easily accessible and he listened.

Ball had a much more extensive and collegial relationship with Cohen from early on until both reached high positions in the government. Ball’s letter to me of April 29, 1992 is worth quoting in detail:

Because of [the] very deep conviction about the importance of good administration, Wilbur always backed the idea of a career service and merit selection for promotions, investment in training staff, and, of course, equal opportunities for both minorities and women. He had all the good values that a top administrator should have.

He himself was seldom in jobs that called for personal administrative skills. As you know, the whole first part of his career was as technical advisor to Arthur Altmeyer, following somewhat the same kind of staff job with Ed Witte. In these jobs he operated across the board in policy and the interaction of policy and administration by others, but was not actually responsible for running something himself.

When he came back to government in the Kennedy Administration it was first as Assistant Secretary for Legislation and then under Johnson as Under Secretary of the Department, and finally for a short time as Secretary of H.E.W. All of these jobs operate at a different level than what I think of as administration. They are mostly involved in policy direction and the maintenance of good administrative value systems rather than

really running something. The collection of programs in a department like HEW, for example, are not really administered the Secretary and the staff people reporting to him. [but by heads of programs]

One of Wilbur's great virtues in the top jobs he held was a willingness to make very complete delegations (as in say the implementation of Medicare) to people he trusted and seldom second-guessed decisions or results. He was helpful whenever he was asked, interfered very seldom in the administrative process, and then only, in my observation, when there was some high political stake at risk.

Cohen apparently had the same style in his academic position as Dean of the School of Education. According to Frederic W. Bertolaet, who was Associate Dean with Cohen, given his extensive consultations in Washington and speeches, Cohen balanced external demands and internal needs. He delegated much to Bertolaet to coordinate. Although Cohen was out of town a lot he was always in Ann Arbor on Tuesdays for the weekly staff meetings. (Interview in Ann Arbor. January 15, 1991.)

Obviously, he was personally well organized for his type of career; and he needed and got good supporting personnel. His wife Eloise was geared into his schedule in maintaining the three sons, the father and the household.

Edwin E. Witte

For people who were important to Cohen it is appropriate to start with Witte, who brought him to Washington in 1934. Witte left Washington in 1935 after he had completed his duties as Executive Director of the Committee on Economic Security, returning to the University of Wisconsin. Cohen stayed on with Altmeyer. Nevertheless there were many contacts between Cohen and Witte subsequently. In the early years these contacts were mainly requests from Witte for continuing information on the implementation of the Social Security Act. Witte was shorn of his research assistant in Cohen and had no systematic and reliable source of information which Cohen so abundantly worked up for Witte while in Washington.

Later there was more personal and substantive interchange of correspondence between Cohen and Witte of a collegial character. Cohen had sent Witte a chapter he had written for Florence Peterson, ed. Survey of Labor Economics on September 10, 1947. (It might be of interest that Witte wrote to Cohen as Wilbur and Cohen still wrote to Witte as Professor Witte.) Witte wrote that the chapter was “well done,”

but of course, I do not agree with all your statements. For instance, I find it hard to swallow the praise you extend to the life insurance companies (on page 677) for the support they have given to the improvement of social security benefits. But I am sure that if I wrote one hundred pages of any aspect of social security I would offend you more than anything you have written offends me. Differences of view are inevitable and I congratulate you upon considerate and fair treatment you have given these people, who, like you believe in social security but differ in point of detail. Your account is not only well done but very fair indeed²

Cohen was, of course, in a policy and administrative context in the Social Security Board and had to be as even-handed as possible relative to interest groups. On September 25, 1947 Cohen responded:

I recognize that there is some validity in your criticism on my remarks concerning the life insurance companies on page 677. I felt it exceedingly difficult to give a complete picture of the attitudes of organized labor, and the insurance companies (which I felt was an important point to be covered), but as you say I attempted to go out of my way to be fair to all the groups concerned.³

Cohen was then 34 years old and was emerging as a policy person even though he had a staff position with Altmeyer.

Even as late as 1948 when the Social Security Board and its activities under President Truman seemed secure, Cohen was uncertain about the future. He had written Witte about leaving the government for a private sector career, but still pursuing his social insurance mission outside of the government. He asked Witte what he thought of the idea of starting an organization like the American Society for Social Security. Witte replied: “I realize that what can be accomplished under present conditions by remaining with government is uncertain and limited. Yet I have an idea that you can probably do as much in Washington as anywhere else.”⁴

Social Security was hardly yet free from attack; the administrative budget of the Social Security Board was under scrutiny.

Interestingly Witte suggested the idea of a consulting firm to labor unions on health and welfare like Altmeyer/Cohen for a fee. Witte foresaw a large expansion of union health and welfare funds and little progress in national legislation. The unions would need expert help.

Cohen co-authored a book with Professor William Haber, labor-economist at the University of Michigan on social security. He had a copy sent to Witte and wrote: "I asked the publisher to send a copy directly to you from New York. Consequently I could not personally inscribe the volume which I would like to do since I owe so much to you in connection with my work and orientation in the field of social security. However, I think you know how much I appreciate everything you have done for me and the regard I have for you."⁵

Cohen had suggested to Witte the possibility of a joint textbook on social security. In a letter on January 27, 1949 Witte, was doubtful: "...I am not certain that you want me as a partner. I hold you in the highest respect and I have no doubt of your friendship and good will toward me. But our ideas on Social Security are not 100% in agreement. Whether we would agree on what should go into a textbook and what should be said we could only find out by talking over our ideas."⁶ Witte suggested that Cohen do another book with Haber with whom he felt Cohen was more compatible or do one alone. I have no idea what the disagreements might have been for I have not seen any evidence. I am somewhat surprised that there might be disagreements. In any case joint authorship on a conceptual and empirical problem has always been difficult among academicians.

A letter from Witte to Cohen on October 3, 1949 indicates that social security was still not fully consensual in this country. Witte was assisting in planning the Symposium on Labor

and Social Security Legislation to be held at the University of Wisconsin-Madison campus on November 4-5, 1949. The Symposium could not be planned without speakers from “both sides.” Neutral speakers were not thought feasible. The Health Insurance Seminar is very controversial. The Milwaukee Journal, in an editorial attacked the Department of Social Work at the University of Wisconsin for scheduling a series of lectures on social security problems without arranging to have someone to present the point of view opposed to “socialized medicine.”⁷

The conservative-oriented Eisenhower administration was in power in 1953. Witte was disturbed by a letter from Cohen: “The situation you describe is what I suspected was occurring. The very name given the new cabinet department ‘Health, Education, and Welfare’ [replacing Federal Security Agency] is indicative of the new atmosphere that prevails: the new group clearly wants to emphasize ‘welfare’ rather than social security, and that ‘health’ comes first, of course, is a giveaway that the AMA will call the shots”⁸

In a letter to Witte on April 10, 1953 Cohen announced in effect the end of an era: “Today isn’t a very happy one. It is Arthur’s [Altmeyer] last day as Commissioner of Social Security. I am enclosing a copy of his farewell message which I thought you might like to have. I don’t know yet what my own plans will be for I don’t know who will be the new Commissioner for Social Security. However, I am going to wait and see what develops.”⁹

In the summer of 1953 and the spring of 1954 Witte and his wife Florence traveled extensively in Europe and the Middle East. Even during a short absence from the United States Witte felt the need to keep up-to-date on social security developments in the Eisenhower administration. Cohen dutifully sent “briefings” en route to designated addresses such as American Express.¹⁰

On September 3, 1954 Witte wrote Cohen a kind letter: “Let me ... say at this time that what was accomplished by way of improving the Social Security Act at this session Congress was truly remarkable [disability insurance]. While you were not ‘on the Hill’ in this session I know that you had a good deal of influence in getting Mrs. Hobby [Secretary] and the administration on the right track on social security. What has been accomplished certainly justifies your decision to stay on with the agency, although at first things were not very pleasant. It was a decision that proved sound and I congratulate you.”¹¹ Cohen was still influencing policy although Director of the Bureau of Research Statistics, a staff position.

Eventually Cohen left for the University of Michigan in 1956. His leaving was known late in 1955. On November 18, 1955 Witte wrote to Cohen: “As the time approaches for your leaving the SS ad (Social Security Administration) to go to the University of Michigan, I realize ever more how much I have depended upon you [for materials for courses, lectures, articles]. I know that you have been helpful to many others but I feel deeply grateful, none of my former students have done as much for me as you have.”¹²

In 1959 Cohen gave a speech. “A Salute to 25 years of Social Security.” Witte wrote Cohen a letter on December 3, 1959 with reference to the “Salute”

...I find myself in entire agreement with everything you said in the address. You were most generous to all the people (including myself) who had something to do with the early development of Social Security in the United States as an ‘old timer’. This naturally pleases me. Modestly you made no mention, not even an indirect reference to the important role you played in the development of the Federal Social Security Program. I feel you deserve more credit than perhaps anyone else for the progress which has been made particularly in the field of old age security. The best part of it is that you are still active and, more than anyone else, are directing the campaigns being made for further improvement in Social Security. My own part in the development of the Social Security program has not been great, particularly in recent years. I take great pride in the fact that you were my student and that I got you started in the Social Security field.¹³

Witte died in 1960. On September 2, 1960 Florence Witte wrote Cohen regarding Witte's manuscript on the history of social security which he had been working on for "many years," but was unable to finish because of ill health. She admonishes Cohen: "I now have about 250 articles listed on S.S. (Social Security) alone-with 2 full sectional book cases on the subject. No wonder E.E.W. literally wore himself out. I hope some of you fellows who are equally capable-like you and Ed Young just for instance, do not do likewise."¹⁴ Cohen had lost his major mentor, and his subsequent mentor, Altmeyer, was out of the government.

Arthur J. Altmeyer

Cohen worked with Altmeyer on the Social Security Board for 18 years, 1935-1953 in an increasingly collegial relationship contributing to the early implementation of the Social Security Act. Cohen's relationship with Witte after he completed his work as Executive Director of the Committee on Economic Security and went back to the University of Wisconsin-Madison continued essentially as that of a student-professor.

My impression of the correspondence between Altmeyer and Cohen is that most of the substance dealt with issues after Altmeyer left for Madison. Interspersed, however, there are occasional references to mutual admiration.

Martha Derthick quoted Altmeyer as to how he became acquainted with Cohen and why he chose him to become his special assistant: "I first became conscious of him when he was sitting just behind me when I was testifying on something or other, and I was stuck for an answer because I did not know the facts and he reached over and handed me a sheet that gave me the information I needed to answer the question . . . - I can't remember how I got to know him better and better – but realized that there was a mind that turned over very rapidly. And he also had a personality that did not lead to antagonism or resentments"¹⁵

Both Cohen and Altmeyer were critical of the Eisenhower Administration's relatively conservative view of social security. On March 13, 1957 Altmeyer wrote to Cohen, then in Ann Arbor, that: "What is needed is a Cohen turning out a new formula every hour on the hour, selling it to the boys, saving everybody's face and pocketbook."¹⁶

On April 20, 1957 Altmeyer wrote Cohen commenting on the paper he wrote at the Witte retirement party in which Cohen threw bouquets to Altmeyer regarding the changes made in the pension program in 1939 described earlier. Altmeyer wrote: "Our strategy was jointly developed and you above all deserve most of the credit for whatever success was achieved. When I think of the countless hours and days of exposition, persuasion, and placating of vanities and prejudice that you put in I despair of conveying to anyone who was not involved a picture of what the administrative legislative process is in practice. That's probably the main reason I haven't had any hankering to 'write a book.'"¹⁷

A letter from Cohen to Altmeyer on September 9, 1957 reveals a changing attitude towards the Social Security Act which Cohen wished to share. Both of them were still fired by their experience and mission and assumed that such would be true of younger people as well.

Cohen wrote:

Quite a number of people here on [the Michigan] campus, and a number of people interested in new political ideas, have all approached me and said that we need something new in social security. They emphasize that we can't merely rehash the old ideas, but that we ought to have something bright, new and shining to challenge people and to serve as a goal for the Liberals and Progressives in the decade ahead. I suppose you have had somewhat the same experience as I have that people tend to react to our recommendations by saying that they are old stuff and they have heard that before and isn't there something new that we have to offer. Irrespective of the validity of their point of view, I do feel that it is necessary to put some old ideas into new bottles, in order to have them related more directly to current values and emphases but, in addition, there are some new elements that have arisen that perhaps we should take into account.¹⁸

Cohen suggested some "bright, new and shining" ideas such as:

Flexible retirement age; reduced benefits at age 60; “contracting out” in national health insurance because of growth of private health insurance, now an important force in health insurance; and “catastrophic” insurance or major medical approach for health care costs. A symptom of this rehash of old ideas was decreasing interest in the part of students of economics in social security problems. Robert Lampman reported to me that after Altmeyer returned to Madison, the two of them thought of the idea of a seminar for economists on social insurance. The seminar was duly set up and offered but not a single student appeared!

To note the pragmatism of both Cohen and Altmeyer, on September 19, 1957 Altmeyer responded: “As regards the Federal Government’s role in the field of cost of medical care I believe all things considered that the catastrophe approach is the most feasible from the standpoint of acceptance and contains the least hostages to fortune. This would permit existing voluntary plans [then covering over 100 million people,] to exist and perhaps flourish without the dangers, difficulties and artificial stimulation that would come with government subsidy. It would enable the Federal government to learn a lot and if successful would pave the way for further extension of government insurance. I really feel that this approach would meet a great deal of need without opening the Pandora box of subsidizing non-governmental entities.”¹⁹ It will be recalled that what did happen in the Kennedy-Johnson administration was an end run around national health insurance with Medicare for the elderly with private health insurance covering most of the age groups below and Medicare contracting with the insurance companies to administer the payment mechanism to hospitals and physicians.

The relationship between Witte, Altmeyer, and Cohen was a warm and caring one. On December 23, 1957 Altmeyer wrote Cohen: “I think you have to be gentle with Ed [Witte]. He is very unhappy right now and misses being the fountainhead of information and advice on

practically everything affecting the U. of Wis.”²⁰ (I visited Witte in his Madison home not long before he died. I was interested in eventually delving into the social security development and wished to talk with him. I was sure he would not remember me from his large class or from my interview with him in 1937 for a job in the Legislative Reference Library of the State of Wisconsin government. He received me graciously and joked that he was really in very bad shape.)

On March 26, 1958 Altmeyer shared his impression of Robert Myers, Chief Actuary. “Bob [Myers] is a nice guy, but is naive and I’m inclined to think he doesn’t appreciate the limitations of an actuary. He appears not to realize that there really are problems involved in trying to combine a flat pension with a system based on need or on wage loss. The necessity for maintaining consistency in the one and differentials in the other is beyond his comprehension.”²¹

On March 31, 1958 Altmeyer gave his impression of historians who have not really experienced the events they describe. Altmeyer had received a manuscript from Arthur M. Schlesinger, Jr. the American historian at Harvard at that time. Schlesinger was writing on the New Deal. The book became The Age of Roosevelt: the Coming of the New Deal (1955). Schlesinger had sent Chapter 18, the Birth of Social Security for comments. Altmeyer sent it to Cohen instead. Altmeyer’s opinions to Cohen were:

I agree with you and Fidele [Fauri] that it is high time that we who actually lived through the birth-pangs and growth of social security should present a real close-up with all the manifold considerations and complications highlighted. While our product might not be impartial it would certainly be more realistic and give a more accurate understanding and feeling (emphasis, Altmeyer) than the glib expost facto and appraisals. All these bozos, far from the scene in time and space; could have done better than the stupid creatures who actually were confronted with the necessity of making decisions in the light of existing circumstances and knowledge! How omniscient historians can be and how irritating to the survivors of past struggles!²²

Unfortunately, by and large those who make history do not write history, but in Cohen's case he left rich archives with which I hope (with considerable trepidation, given Altmeyer's views), I can approximate reality. (I reread Schlesinger's Chapter 18 and was not quite sure what irritated Altmeyer which made me more unsure.)

On February 3, 1959 after visiting with Witte, Altmeyer wrote to Cohen: "I saw Ed Witte a couple of nights ago. He appreciated hearing from you. It is heart-rending to see how broken and depressed he looks. I am afraid he faces a most unhappy future because he can't accept inactivity. I am grateful that I have always been inherently lazy so leisure is not such an appalling prospect for me. I urge that you bear this in mind personally as well as professionally (emphasis, Altmeyer) as Chairman of the Advisory Committee for RCJ!"²³

The "old-timers" are distressed with the slackened momentum of social security –Cohen wrote to Altmeyer on April 27, 1959: "You point out that Governor [Gaylord] Nelson (of Wisconsin and a Democrat) has not come out for Federal standards [for Unemployment Compensation] either. I am extremely disappointed in this. It tends to indicate to me that Wisconsin has become a captive to its past. The more I think of it, the happier I am that I turned down the position of director [of] the School of Social Work at Wisconsin. It just seems to me that they are all looking backward and there is really very little hope as long as people like Witte-Brandeis-Rauschenbush- and Nelson are unwilling to speak forthrightly on matters of progressive social policy."²⁴ (Cohen was then 46 years old and young relative to those named.)

Cohen was interested in an Institute to preserve the institutional memory of the Social Security Act and the furtherance of its mission persists. He wrote to Altmeyer in this regard on February 4, 1960. He suggested that an institute on social security problems be based at the

University of Michigan. There was to be a meeting on this at Michigan State University on April 6-7, 1960.

Cohen wrote: “There is much individual research and a number of universities do pay attention to the problems, but there seems to be no center which is concerned with all aspects of social security.

“One result of this has been that evaluations of present programs and proposals for changes seem to originate from groups which in the public view, at least, represent special interests.”

“Governmental research agencies have limitations implicit in their sponsorship, and often must present the point of view of the administration in power.”

“As a result serious students of social security find it difficult to call attention to their findings and mobilize support for positions which they feel desirable in the light of their work.”²⁵

Perhaps anticipating a change of government in Washington when Kennedy was running for President Altmeyer wrote to Cohen on August 20, 1960:

“If Congress approves any form of health insurance it will be entirely due to your uncanny ability to pull non-existent white rabbits out of non-existent hats over the heads of non-existent statesmen.”²⁶

With the inevitable accretion of amendments and internal administration Altmeyer wrote Cohen on October 18, 1960 that the Social Security Act has gotten so complex that “it is hard to interpret sometimes.” Cohen was working on codification to simplify the application of the law.²⁷

On May 25, 1961 Cohen wrote to Altmeyer in response to a reassuring letter. Cohen was now on the Kennedy staff. Cohen wrote “I certainly appreciate receiving your letter of 22 [1961].

It has indeed been difficult and trying for me these past few weeks. There are always a lot more objections to doing something than not doing it. The child welfare field is just filled with ‘Conscientious Objectors.’”²⁸

In 1969 Cohen returned to Michigan after the end of the Kennedy-Johnson administration as Dean of the School of Education. Altmeyer died in Madison on October 30, 1972. Cohen wrote a tribute: “He had the unusual ability of being an innovative formulator of social policy and a competent administrator of it as well. He could discuss basic concepts of the right to assistance and services with social workers, and its constitutional implications with lawyers, and also could discuss the intricacies of social insurance with the actuaries.”

“To him public office was a public trust.”²⁹

With Witte and Altmeyer gone Cohen stood alone as Mr. Social Security, a close parallel, of course, was Robert Ball, but two different types. Cohen was high profile; Ball was low profile. Both types are necessary for carrying out a social policy mission.

Wilbur D. Mills

The correspondence between Wilbur D. Mills and Wilbur J. Cohen was exceedingly sparse given their long relationship in working together on social security legislation climaxing in Medicare in 1965. Of course, much of Cohen’s conversations were by telephone and are unrecorded. If Cohen knew anything about Mills sex scandal he made no note of it in his archives, but he certainly must have been aware of it given the wide publicity given to it. Cohen thought of Mills as a quiet family man who did not participate in the cocktail party circuit in Washington.

On July 11, 1973 Cohen sent a telegram to Mills on learning about his health problems. Cohen invited Mills to come to the University of Michigan Medical School for an “independent

diagnosis and treatment” plan for his back pain. Cohen informed Mills that he heard the Dean of the Medical School would be pleased to arrange an appointment. Mrs. Mills was invited to stay with the Cohens. Nothing came of it.³⁰

On November 12, 1974 Cohen wrote a letter to Mills congratulating him on his reelection to the House of Representatives of which he had been a member since 1939. Mills also continued as Chairman of the Ways and Means Committee. Cohen hoped that with the Democratic victory of 1974 Mills would take the lead to promote national health insurance and “build on your magnificent record.” “Base any health insurance proposal you make and support on the utilization of the social security system as the collection (emphasis, Cohen) mechanism. You can use the private voluntary plans as fiscal agents just as you did in Medicare. This is a sound allocation between public and private responsibilities.”³¹ Shortly, thereafter, Mills had to leave office because of the scandal. He returned to Little Rock, Arkansas and resumed his law practice (June 1992).

While doing the research on Cohen’s biography I had a student, Gregg Abramson, in an Individual Directed Study project, a major in history, find out what he could on Mills’ life and his relationship to Cohen beyond the sparse information in the foregoing. On the strength of this student’s family friendship with Representative Peter Pyseser from the Bronx, New York who had an office two doors down from Mills, the student put in a telephone call to Mills on March 12, 1992 in Little Rock, Arkansas and had an engaging conversation about the biography I was writing about Cohen. Mills remarked that he thought highly of Cohen and they worked well together. Abramson had been reading about Mills’ numerous tax bills, being a recognized expert on taxes, and asked Mills: “What was your proudest bill?” Without hesitation he told me the

Social Security bill which included Medicare.”³² Within a month thereafter Mills died; another pillar of Social Security and Medicare gone.

John F. Kennedy

When John F. Kennedy, was a Senator from Massachusetts, Cohen was his social security and health insurance consultant. After Kennedy became President he appointed Cohen as Assistant Secretary of H.E.W. for Legislation. Apparently there was no correspondence between, but there must have been numerous telephone communications. Of course, Cohen’s acceptance of this important appointment revealed his respect for Kennedy.

Cohen replied to a letter from Randy Biernschi, East Lansing, MI regarding some questions put to Cohen, among them his opinion of John F. Kennedy. Cohen replied: “I admire John F. Kennedy for his incisive and quick intellectual insight, his charisma and poise, plus the fact he was always very nice to me even during the 3 years he was President.”³³

Lyndon Baines Johnson

The LBJ-Cohen relationship was a symbiotic one, widely different personalities but with the same mission – eliminating poverty in the United States. LBJ was the political strategist who believed he had a mandate. Cohen was the technical expert who understood politics and the policies of LBJ. Cohen was protected by LBJ from direct political attacks. In fact, Cohen as a technical expert always needed protection of one kind or another while in government service; while an academician, the University of Michigan protected him so he could promote his mission outside of government.

Fortunately, David G. McComb interviewed and taped Cohen at length on March 2, 1969 at his home Silver Springs, MD on Cohen’s career and his personal relationship to President Johnson. Cohen had contact with LBJ before Kennedy. Cohen was working on several matters of

interest to LBJ regarding Social Security. LBJ regarded Social Security as “one of the great legislative triumphs of, you might say, the century.” Cohen said that LBJ was a populist at heart. He was deeply concerned about the Biblical injunction of honoring thy father and thy mother: “That since I was connected with Franklin D. Roosevelt’s Social Security Program I was a pretty good fellow. And since Social Security and old age were connected with honoring thy father and thy mother and doing something for the poor people and aged, that was necessarily good.” Elizabeth Wickenden, a close friend of LBJ mentioned Cohen to LBJ frequently. She was prominent in Washington New Deal circles. Thus, Cohen felt he had a certain advantage with LBJ others did not have.

“First, he was never critical, abusive to me as is claimed he was with many others on the White House Staff. My relationship to him was always on an exceedingly high level. He was praiseworthy of me; he was complimentary to me; he was appreciative of me; I don’t recall even when we were in most serious disagreement about matters I could not talk back to him. I wrote him memos telling him not to do what he was doing, and it did not endanger our relationship because I think of this peculiar relationship that grew up out of my past and his past.”

McComb: “Did you ever experience his quick temper?”

Cohen:

Once in a while. In the last month when he and I had a couple of differences he spoke sharply to me and I spoke back sharply to him. And I think this was an indication that our relationship was pretty solid, but he was quick on response, particularly if you recommended somebody for a job that he didn’t have confidence in he’d tell you right off the bat that fellow was no good. ‘He’s not one of our people,’ and so on. And he’d snap right back. That I could understand. He had quick responses to many, many things.

McComb: “What about his reputation for being devious. Is there any truth in that?”

Cohen:

Well, I don’t think he was devious in the ordinary sense of the term. I think that Lyndon Johnson’s attitude was that every person had some kind of an Achilles heel that

would respond to some particular type of analysis. And I think as a legislator, as the Majority Leader, his general attitude was ‘Well, if you want to get that guy to help you, find out what is the element in his personality or his background that will bring him out!’ and when people talk about being devious was the fact that he was in his way a kind of junior psychiatrist, I think by that, I simply mean that he always felt that if you wanted to get the other fellow to work with you, find out what is the element that he would work with you on – Now, people called that devious, and I can understand what they meant, but it was an outgrowth of his long legislative experience and analysis – working with Sam Rayburn and Bob Kerr and those other people, who always felt that you could work at some kind of a compromise or some kind of a relationship with people if you found out what it was that you related to. I never found him particularly devious with me. I did not experience that. I do think that Lyndon Johnson had what I call the principle of triangulation.

McComb: “Can you explain that?”

Cohen:

The principle of triangulation is that you always try to get three or more sources of information on a problem. And if those lines interconnect, where they interconnect is something that is profitable to understand because all three agree on it. A-B-C or so or B-C-A. You see that’s the art of legislative compromise. I many times found that very distracting to me because I’d come to him with a recommendation and I knew absolutely that he would send it to B and ask C and so I learned to contact B and C before I gave it to him to know that I was going in that direction that I’d get the results. So I think this quality of deviousness was an outgrowth of his own legislative experience. And all I can say is once you understood how he worked, then you could work in harmony with that sort of principle.

McComb: “Speaking of a personality trait, he also had the reputation of being crude in his language – rough. Is this true?”

Cohen:

Yes, it is true. And yet he could also be the most sensitive, interpersonal man I know. In other words, he was a complex, contradictory personality. I have heard him. when we were on his ranch going by and watching the animals refer to all sorts of sexual characteristics of the animals and of people, and then five minutes later you could stand on the hillside there watching the sunset and you’d find a man who was a poet in describing the sunset and the relationship of the land to the people and his hopes and aspirations for the people. And it seemed to me, therefore, that people who talk about this country did not understand that this was an earthy man. This was a man like a combination of Boccaccio and Machiavelli, and John Keats. So that I found interesting about him, because I enjoy working with complex personalities. And too many of these people who are critical of Johnson assume that a human being had one personality trait exclusive of others, and human beings are not usually like that. And he was bigger and more intense and had more of these qualities. When he spoke about Mrs. Johnson, for instance, or about his ranch or about Texas or about older people or about children, this

was as sensitive and understanding and had as much insight as anyone that you could find.

McComb: “Was that kind of language, when he spoke in crude terms, was it offensive to you?”

Cohen: “Well, it was a little unexpected I’d say.”

(Transcriptions of the tapes are deposited in both the WJC papers at the State of Wisconsin Historical Society in Madison and the LBJ Library in Austin, TX.)

Appropriately, as Secretary of HEW Cohen wrote a memorandum to President Johnson on January 7, 1969 shortly before he would leave office informing him of the status of the Social Security pension at age 62 or 65 whichever Johnson might choose:

You need 22 quarters of coverage to be fully insured for Social Security benefits. You had 20 quarters of coverage at the end of 1967. If you report any self-employment income for 1968, you will obtain four quarters of coverage and thus be eligible for some (emphasis, Cohen) benefits without any additional employment or contributions. The amount of your benefit at age 65 – even if you do not earn any more Social Security credits – will be \$70 a month for you and \$35 a month for Mrs. Johnson. (Looking to the future): Under the Social Security amendments I have recommended to you, if they are adopted, your benefits would be increased probably 20 to 25% above what I have authored previously.³⁴

On Sunday, May 20, 1979 the Ann Arbor News, under the byline of Max Gates in a front page story, reviewed the speech by President Johnson before the graduating class of 1964, given on May 22, 1964. (Kennedy was to have given this speech but was assassinated on November 22, 1963.) This speech was very important for it signaled Johnson’s dream of the Great Society. Cohen who had just retired as Dean of the School of Education was quoted that the concept foundered because Johnson would not raise taxes to make up for the Vietnam War. The President was reluctant to increase taxes: “He did not like to lose. He was a man of great vanity of personality. He could be pompous, malicious and vindictive. He had a lot of blemishes, a lot of warts, and he made mistakes. But he also had compassion.”

“He was a very human president. And I believe he had the greatest vision of meeting the social needs of the American people of any president in this century.”³⁵

Johnson and Cohen corresponded often after Johnson moved to Austin, TX late in January, 1969. Already in January 28, 1969 LBJ wrote a letter to Cohen thanking him for the “moving” sections to the book that was presented to LBJ in New York:

“...and I just want to say this: A President’s instincts may be good, but the record of his administration will be no better than the men around him who help turn the dreams into reality. During my time, Wilbur, you were a full general in a great crusade.”

“So in thanking you for the generosity of your comments I really want to thank you for what you have done for all America.”³⁶

Cohen was invited by the School of Social Work, University of Texas, Austin, Texas to give a lecture on April 3, 1970. Johnson introduced him: “This evening you are privileged to have as your speaker a front runner in your field. I have admired him for many years. Friendship and the continuity of working together have established strong bonds between us.”

“Wilbur Cohen and I entered government service more than three decades ago. Since that time we have both witnessed and participated in major national accomplishments in constructive social legislation. During my administration a substantial share of that legislative success can be attributed to Wilbur Cohen. He has distinguished himself in excellence and dedication as an educator, in stewardship as a public official, and as a concerned American.”³⁷

On January 13, 1971 LBJ wrote Cohen in response to a letter informing LBJ that he had sent President Nixon a protest to some modification of the Social Security Act: “Thank you for your nice note and for the copy of your telegram to President Nixon.”

“Six Presidents have been fortunate to have you prodding their consciences, Wilbur – and I know at least one who realizes he is in your debt.”³⁸

Cohen continued to inform Johnson of his activities. Johnson was pleased to learn that Cohen was carrying on the mission on which that the two of them had worked together. Johnson wrote on May 25, 1971:

“Thanks much for the copy of your statement on welfare reform. I’m pleased to know the old fire of social progress is still generating heat in you – and scorching some of the conservatives who would stand in the way of progress.”³⁹

On July 16, 1971 in response to a letter from Cohen: “Jet travel these days plays havoc with times and dates! It seems like only a short while ago we visited at the ranch, yet your interesting and newsy letter telling us you’re about to leave for Israel after what sounds like an exciting visit, just arrived in the mail this morning.”

“Lady Bird and I read it word-for-word. We’re so delighted and thrilled for the wonderful experience this trip has brought you both. I can see you’ve really been considering ways for me to go there. Perhaps we will have that pleasure one of these days.”

“And you’re mighty generous to think of me with the idea for an LBJ School of Public Administration.”⁴⁰ Cohen had been considering such a school for some time. It was apparently Cohen’s idea. The School was established, but Cohen hoped it would have close ties to Washington and not become a regional institution.

Cohen was invited to prepare a paper at the Education Symposium held in Austin in 1972. Johnson wrote a letter to Cohen on January 26, 1972 regarding the Symposium and Cohen: “Harry Middleton has repeated to me your story that when you found yourself working through

the night to prepare your paper for the Education Symposium you looked at the clock and said to yourself: 'Just like old times, working for LBJ again.'"

"Well, hearing you deliver the goods was the old times, too. You made a very decided contribution to that stimulating event, and the [LBJ] Library people say that your paper will now serve as a helpful guide to researchers who want to study the Task Force reports."

"It was good being with you and Eloise again, and your fine son [Christopher]."⁴¹

On February 8, 1972 Johnson responded to Cohen's urging him to write another book (after *The Vantage Point*).

"I guess you were trying to be nice when you urged me to write another book but if you had read all the reviews of *The Vantage Point* we suffered through, you might not wish that on me again."

"But I'll probably do it, anyway."⁴²

In April 1972 Johnson and Lady Bird were in Israel. Johnson was not in good health. He wrote Cohen on April 15, 1972: "Lady Bird says she will act as my medical advisor but that if she has to do it under a National Health Service Program, she wants you to run it."⁴³ Lyndon Baines Johnson died in Texas on January 22, 1973. Another important figure in Cohen's life was gone, making his relationship to political power increasingly tenuous. Carter, the President at that time, did not pay much attention to Cohen.

On June 19, 1973 Cohen responded to a letter from Joseph J. Fricelli, Brooklyn, New York, asking Cohen four questions:

"This is in response to your four questions:

1. What do you feel was Lyndon B. Johnson's greatest contribution to world peace?

His decision not to run another term for President.

2. How will you assess Lyndon B. Johnson as President and citizen?

His domestic achievements will become more significant in perspective and with time.

3. What do you remember most about President Johnson?

His strong support for the poor, the disadvantaged and the discriminated.

4. When did you first meet Lyndon B. Johnson and what were your first impressions of him?

I don't remember."

It would seem that the answer to question number 1 is eloquent and short, a suppressed view Cohen left unexpressed for five years. And Johnson was dead only a few months.⁴⁴

I found that on October 22, 1979, six years later, Cohen reflected again on Johnson and his own past. He answered a letter from Ronnie Dugger, San Antonio, Texas who was writing a book on LBJ. Dugger asked for permission to quote from oral interviews of Cohen. The entire letter is worth quoting in full:

I am happy to give you authorization to read and quote from my oral interview at the LBJ Library (and, if you also wish, at the JFK Library and Columbia University).

I look forward to your book on LBJ because I hope you will be able to present a significant evaluation of this complex man. During all of my close working with LBJ as President, I found him pressuring me to develop expanded programs for improving the health, education, and Social Security of the American people, especially older persons and the disadvantaged. While President Carter is claimed to be a populist, I find his populism (if any) to be far short of Johnson's populism. I have felt that Johnson's populism grew out of the small-town rurality of Texas which also produced in him his reluctance to lose a war. This is different from the populism I experienced as a young man growing up in Wisconsin under the anti-war, anti-Wall Street influence of the LaFollettes. To fully understand LBJ, I believe one must comprehend the impact of the diverse forms of populism in the American environment. Kennedy, Nixon, and Ford were never influenced by the same physical environmental factors as LBJ.

FDR, HST, and JFK as patricians were influenced by their environments (probably more by their political than physical), but in ways I do not understand as clearly as I think I do with LBJ.

I will be moving to Austin in January 1980 to teach at the LBJ School. I decided I wanted to explore the Texas environment and its probable future impact on social, economic, and political policy in the future. My wife, a Texan, has influenced me to probe the Texas heritage and future. I hope we will have an opportunity to meet and exchange ideas.⁴⁵

Wilbur J. Cohen was now completely out of the stream of political power. Who was Wilbur J. Cohen? He embodied his mission. To what extent did he accomplish his mission? I will use his own criteria in 1960 and 1963 as a benchmark of his objectives. In 1960 he was in Ann Arbor as Professor of Social Welfare Administration; in December, 1963 he was on President Johnson's staff in HEW as Assistant Secretary for Legislation the position to which he was appointed by President Kennedy in 1961. In 1960 he published an article in Public Welfare "Social Security 25 Years Hence" predicting the status of welfare and social insurance in 1985 described in Chapter V. On December 12, 1963 still as Assistant Secretary after the assassination of President Kennedy, Cohen sent a memorandum to President Johnson, A Six-Point Program for the People for the President's program in 1964. This memorandum was apparently on his own initiative. (It is cited in Chapter 8). I will draw on them to compare his predictions and objectives and the extent to which they were attained in 1987 the year he died.

In his article in 1960 summarizing, he predicted that by 1985: first, no aged retired person, any sick or disabled person, or a family whose breadwinner has died or is unemployed "will be in want." 2. There will be universal health insurance; 3. Medical care will be of higher quality. The AMA will no longer be in opposition, but will accept what has happened as "part of the American way of life"; 4. The segment of the population in need of public assistance will be reduced to "an absolute minimum" by social insurance program; 5. All programs will have built into them a service philosophy by trained social workers to preserve family life and develop the creativeness and capacities of individuals; 6. The concept of adequate benefits will approximate

that of the “productive population”; 7. Private insurance, home ownership, and others forms of serving will have “increased dramatically.”

In Cohen’s memorandum to President Johnson in December, 1963 the foregoing predictions are repeated as attainable objectives by aggressive policies in the Johnson administration. In addition there was an emphasis on education for “every American boy and girl to the top limits of his or her ability.” There would be opportunity for full employment. Also, Cohen stressed the productive capacity of the country to support the objectives:

America is a country of vast and growing productive capacity. We are trying to free that productive capacity for more rapid growth and expansion through tax and other measures. What is the current score-card (1992)?

Achieved: 1. Medicare-health insurance for the elderly 65 years of age and over; 2. Social security pensions for the great majority of the elderly, resulting in reducing the proportion of the elderly living above the poverty level from two-thirds to one-third, approximately the proportions in the population under age 65.

Not achieved: 1. Universal health insurance is the main goal not achieved; 2.. Because of rising unemployment, exhaustion of unemployment benefits, and general business slowdowns the proportion in poverty has risen visibly; 3. Inflation has reduced purchasing power. 4. Cost of health services have escalated faster than inflation thus pressing on costs of Medicare (payroll deductions) and Medicaid (general revenue); 5. For aid to Families of Dependent Children (AFDC) the original objective of paying widows with children to stay home and care for their children has been distorted by the tremendous rise in mothers of children born out of wedlock and fathers who do not support them; 6. An underclass in inner cities and rural areas has emerged creating large pools of poverty due to economic conditions and changes from an industry economy to a service economy requiring higher skills; 6. The educational system is under severe criticisms (one of the major institutions regarded by Cohen as a keystone for a technological society).

Observations: What would Cohen be saying regarding the “non-achievements?” Of course, Cohen is hardly alone among those who lived through the euphoric period of affluence from the Fifties to the early Seventies who misjudged unrecognized powerful economic and political forces. Macro-economic management of the economy is hardly a science. The transformation of the American family structure so that the traditional nuclear family is now a minority was not expected. The trend toward individualism at the expense of community was not anticipated, or at

least not its consequences for delinquency, drugs, and crime. The fact that the “rich are getting richer” and the “poor are getting poorer” relatively was not expected. The slowing of the growth of the GNP and productively was not expected except by a pessimistic few.

Cohen was captive of the euphoria of his age: still, his vision has left a structure quite intact such as social security pensions and Medicare and even Medicaid which continue to be the base on which his incremental approach can build. Cohen would, of course, be pleased by health insurance becoming a political issue in the current presidential campaign (*Odin Anderson was writing in 1992—eds*). He would say the middle class is speaking, the vital center of the democratic political process. The elderly, now becoming middle class, are politically active. But there is still not the solid social insurance-welfare state consensus on the European pattern that Cohen predicted. He would likely say that for health insurance the thirty year cycle of social welfare change is being expressed in the current effort to cover the uninsured which if accomplished would give this country at least a semblance of universal health insurance health services being the major interest among his many social interest. His optimism would continue looking toward the next move toward a complete welfare state in the next thirty year swing of the pendulum of history.

Cohen was a retrospective person trying to recreate the actual situation in which decisions were made and why those decisions. Although Cohen liked being a professor and academic life he was critical of some academicians who did not appreciate or understand the nature of the American political process. Some academicians reviewing the development of social security programs would be critical of decisions made years before, claiming that wrong decisions were made resulting in fragmented programs later, because too many compromises were made in the process. As an example Cohen was a discussant at a conference sponsored by

the Institute for Research in Poverty University of Wisconsin-Madison held there in 1974. The topic of the conference was, “A Decade of Federal Antipoverty Program, Achievement, Failures, and Lessons.” Cohen made the following observations as a discussant:

As I sat through these sessions, I got the feeling that people here assume there were a lot more alternatives available to the decisions makers in 1961, 1962, 1963, and 1964 than there really were. But when I look back at it, I can't think of any basically different alternatives, than the ones that were taken at that particular moment of time.” (*emphasis, mine*)

The next opportunity [for the poverty program] that came in legislative and policy terms to implement this approach came in the formulation of the poverty program. The reason that a lot of bits and pieces found their way into the poverty program was because there was no other vehicle at that point or until 1965.

Another example of Cohen's situational politics was his experience in appealing for subsidies for the education of medical students. He quoted one Republican congressman as asking him: “You have a very strange idea about spending money. How much do physicians make a year (ans. \$25,000, early 60's)? What is the average income for the taxpayers? (ans. \$5,000) Then tax \$5,000 people for people who earn \$25,000?” I said, “Look, Congressman you don't understand. We are trying to develop a program of excellence that will help A+ students who are not getting into medical college to get an education.” He in turn said. “What are you doing for us C+ students who really run the country.” That was the world of 1961-1963.

“One of the questions that we are really posing is: why was redistribution of income or negative income tax not a big item in the 1960's? Well, I think the reason is that, while it is a very popular term among economists, when you get up the Hill, very few members of Congress want to discuss it in those terms because for their constituents that is socialism.”⁴⁶

Another example: In 1986 the Duke University Press published a collection of articles by well-informed people, mostly academics, on twenty years of United States Social policy. The publication was the result of papers given at a symposium in 1985. Cohen was one of the

Contributors: in his article. “Random Reflections on the Great Society’s Politics and Health Care Programs After Twenty Years.” He wrote:

Whether a President is an ideologue or a pragmatist, political reality requires simple (emphasis, Cohen’s) solutions to problems. Our tendency as academicians and as people teaching public policy is always to think about alternatives that are complicated and have many facets. But this is not what political leaders look for. They look for simplistic arguments, a simplistic solution to a problem because that’s the only way they can dramatize an issue to the American public. Americans don’t want to hear a politician tell them why there are ten good reasons for the negative income tax or for a new health policy. They do not want to hear why we ought to abolish poverty by using the educational system and the health systems we devise.

Further, there must be some acceptable ideology in major social reform proposals that borders on faith, myth, or mystery. Social Security has been successful precisely because of the ‘myth’ that it’s insurance.⁴⁷

To the national, scientifically oriented academicians this view of political strategy for reform borders on the cynical, but the process in enacting Medicare is an example of this strategy.

Cohen was very conscious of his role as a civil servant but that changed when he became a political appointee in a visible policy making position under Presidents Kennedy and Johnson. In order to understand how and why he behaved the way he did during the New Deal of the thirties – a brief history of the civil service in the United States and the concept of the role of the civil servant regarding neutrality versus partisanship must be examined. Knowledge of the context in which civil servants operated is important. It was a dynamic era. An excellent single source of the history of the United States Civil Service is by Paul VanRiper⁴⁸. The formal genesis of the American civil service is the Pendleton Act of 1883 under a Republican administration. It was sparked by the wide spread, informally legitimate, practice of the spoils system as reward for people who helped politicians get elected. VanRiper observed that “from an administrative point of view, the spoils system was primarily designed to man, finance, and control the political machinery of the new Democracy.”⁴⁸ “Coupled with a constitution

prescribing both a separation of power and federation, these uniquely American conditions made for a more politically oriented civil service [than in Europe] and for characteristics all its own.”

(p. 9) VanRiper observed that a new type of patronage appeared brought about by the social politics of the New Deal which he called “ideological patronage.” It developed in its most refined form under Franklin D. Roosevelt, although this type of phenomenon had precedents before 1900 and under Presidents Theodore Roosevelt and Wilson (p. 324).

As F.D.R. could not seem to bring himself to trust many of the business men who wished to help, he often turned to representatives of universities and to young lawyers for crucial intellectual contributions, delighted to find themselves called to the center of power for the first time in our history, they in turn encouraged their friends and those who thought as they did. An entirely new type of public servant came storming into Washington – young, enthusiastic, individualistic, able and hardworking. He [there were also women] knew the difference between fudge and a fugue, had read books, could talk intelligently, and had ideas. He spent long hours at his desk, scorned the clock-watchers of the old Civil Service, drank hard, played hard, talked hard, and got hard things done. For the first time, short of war, the government had tapped the moral and intellectual energies of the college-bred middle class. It was a psychic ‘blood transfusion’ which invigorated political administration beyond belief. It frightened the politicians and the bureaucrats, and through newspapers, amused and puzzled the public.⁴⁹

The second seminal source on the civil service concept is Frederic C. Mosher, *Democracy and the Public Services*. He observed that “the concept of neutrality gave the early enthusiasts for civil service reform difficulties, even as it continues to give difficulties today.” [1968]⁵⁰ He comments further that as the government bureaus needed to be staffed by highly specialized career personnel it became more difficult for the non-expert policy level superiors and legislatures to understand or control their activities effectively. The New Deal period turned to the expert so that even below the policy making, the experts such as Altmeyer, Cohen, Ball and others in the Social Security staff perforce had a great deal of influence on policy although they were career civil servants.

With the New Deal, government [bureaucracy] ceased to be merely a routine servant or a passive reactive agent. It became itself an initiator of programs and change –

for a while almost the only one. The role was strengthened during World War II when government, military and civil, dominated much of American life. In this context, more important than efficiency in carrying out given tasks were incentive, imagination, and energy in the pursuit of public purposes. Those purposes were political, and the administrations charged with responsibility for them, as well as many of their subordinates, had to be politically sensitive.⁵¹

The Social Security staff embodied all the foregoing; they were personally and deeply caught up in it.

Mosher poses an inherent dilemma in modern government bureaucracy behavior which apparently has to be lived with. Where the political appointments invade too far the provinces of the career services, there is a threat to substantive effectiveness, an invitation to inefficiency and even scandal. Where the political appointee is driven out, there is a threat to the general interest in favor of special interest, to the 'public' in form of the self-restricted entrenched bureaucracy."⁵²

During the Roosevelt and Truman administrations the Social Security bureaucracy was in tune with the intent of the Social Security Act and the policy of those administrations. "The Eisenhower administration thought," wrote Mosher, "that merit system giving civil servants a fair leeway for influencing policy though the merit system needs to be revised to be more in line with the conservative tendencies of that administration."⁵³

A final quote from Mosher is pertinent. "In government, the professions are the conveyor belts between knowledge and theory on one hand and public purpose on the other."⁵⁴ The Social Security staff was keenly aware of the intent of the Social Security Act, felt committed to and morally bound to it as administrators. After Eisenhower, however, they felt themselves on the defensive, although Social Security remained intact and expanded gradually in coverage, and benefits. Social Security was too popular politically for conservatives to change its direction.

The political scientist Martha Derthick, in her excellent book *Policy Making for Social Security* (1979), seems to be bothered by the apparent autonomy of policy making and administration that the Social Security staff had in the formative days of the implementation of the Act. There was little political conflict over the Act at that time, so perhaps that is one reason for the apparent autonomy. She observes correctly that policy has been made by a relatively constricted and autonomous set of actors with a strong sense of proprietorship in the program. Decisions were made in isolation from decisions about other government activities, both structurally and financially. Policies were treated as a technical rather than as a political matter. She attributes this autonomy to relative lack of conflict during Roosevelt and Truman administration. Had there been serious conflict, it is likely that the Social Security Administrators would have been drawn into overall government fiscal policies.⁵⁵

Robert Ball, who had been associated with Social Security all his professional life felt that Derthick was entertaining a conspiratorial theory – (Interview, Washington, May 20, 1991). His view of civil service administration is that a civil servant has to be supportive of legislation that s/he does not like – or resign. This is what Robert J. Myers did in the Nixon administration as described in Chapter 8.

In defense of the autonomous behavior in high policy matters, during the early years of the Social Security Act-- the Act was new, the Social Security Board and its leadership was new, and the program had the strong support of Presidents Roosevelt and Truman, in fact a direct pipeline to the White House. It would seem that a new and untried agency covering a large proportion of the population in the early stages needed autonomy within the intent of the Social Security Act. The agency staff knew the complexity of the program and the intent. There was the tremendously complex implementation problem of pay-roll deductions, and so on. The agency

staff needed autonomy and trust to get going. Who else in the vast structure of government would care as much as did the dedicated staff? Furthermore, Congress was the final authority on financing, not the Social Security Board. It would seem that any new and large agency in government would need to start the same way.

Cohen, of course, swam in these heady administrative and policy waters, and accepted the political style as in the nature of things until he and his associates ran into less sympathetic administrations. He was of this environment.

In the 1980's Cohen was still advising members of Congress. James McDermott (HR. D. WN) recounted a conversation he had in the mid-1980's with Cohen. He was urging McDermott "to educate himself on the politics of runaway health costs at a time when no one cared." "Go for it kid," McDermott remembered Cohen as saying. "In '88 the parties will run a couple of jerks on health care, and they won't do anything. By the time they run for President in '92, it'll be a major domestic political issue. It'll pass on the last day in August 1994, that they're in session, just before they go home to campaign for re-election."⁵⁶ Cohen died in 1987. This conversation must have taken place only a year or so before Cohen's death. It seems remarkably prescient.

References

1. Gerard De Gre, "Freedom and Social Structure", American Sociological Review 11:529-536, October, 1946.
2. WJC Papers, Box 3, Folder, 1948.
3. Ibid.
4. 4 WJC Papers, Box 4, Folder, May-September, 1948.
5. WJC Papers, Box 4, October-December, 1948.
6. WJC Papers, Box 4, January, 1949
7. WJC Papers, Box 5, October-December, 1949.
8. WJC Papers, Box 6, January-March 1953
9. WJC Paper, Box 7, April-May, 1953
10. WJC Papers, Box 7, 1952-1955, Folder, July 1953-November 1954.
11. Ibid.
12. WJC Papers, Box 7, Folder 1955-1960.
13. WJC Papers, Box Q-Z, 1956-1961, Folder, Edwin E. Witte, 1956-1960.
14. WJC Papers Box 47, Cohen Papers, Folder 1958-1960.
15. Quoting Altmeyer in Oral History collection, Columbia University 1967.
16. Martha Derthick, *Policy Making for Social Security*. Washington D.C. Brookings Institution, 1979. pp 228-230.
17. WJC Papers, Box 47, Folder 1955-1957
18. Ibid
19. WJC Papers, Box A-G, Folder A
20. WJC Papers Box 47, Folder 1955-57
21. Ibid
22. WJC Papers, Box 47, Folder 1958-60
23. Ibid
24. Ibid
25. WJC Papers Box A-E Folder A, 1956-1961
26. Ibid
27. WJC Papers, Box 47, Folder 1957-1960
28. Ibid
29. WJC Papers Box 3, 1961-1962, Folder, May 1961
30. WJC Papers, Box 243, Folder 1, Chronological Correspondence, October-December, 1972.
31. WJC Papers, B 223, Folder Wilbur D. Mills, 1969-1977.
32. WJC Papers. Box 244, Folder 3, Chronological correspondence, October-December, 1974.
33. Greg Abramson. *Wilbur Mills: The Man Behind Medicare, the Largest Political Scandal*. Individual Directed Study Project for me, University of Wisconsin-Madison, April 28, 1992. In my private papers.
34. WJC Papers, Box 246, Folder 6, Chronological correspondence, January-March, 1978.
35. WJC Papers, Folder, January 1969, Chronological Correspondence October 1968-January 1969.
36. Papers of WJC Box 4, Folder, Printed Material, LBJ Library, Austin, TX
37. Wilbur J. Cohen folder, LBJ Library, Austin, TX

38. Wilbur J. Cohen Folder, LBJ Library, Austin, TX
39. Ibid
40. Ibid
41. Ibid
42. Ibid
43. Ibid
44. Ibid
45. WJC Papers, Box 243, Folder 4, Chronological correspondence, April-June, 1973.
46. WJC Papers, Box 247, Folder 7, Chronological correspondence, October-December, 1979.
47. Robert H. Haveman, ed; *A Decade of Federal Antipoverty Programs, Achievements, Failures, and Lessons*. New York, Academic Press, 1977. (Institute for Research on Poverty. Poverty Analysis Series) Excerpts, pp. 189-197.
48. Marshall Kaplan and Peggy L. Cuciti, eds. *The Great Society and Its Legacy: Twenty Years of U.S. Social Policy*, Durham, NC. Duke University Press, 1986 p. 119.
49. Paul P. VanRiper, *History of The United States Civil Service*. Evanston, Il, Row, Peterson and Company, 1950, p.144.
50. Ibid, 325.
51. Ibid, p. 67
52. Ibid, p. 59
53. Ibid, p. 174
54. Ibid, p. 86
55. Ibid, p. 103
56. Martha Derthick, *Policymaking for Social Security*, Washington, D.C. Brookings Institution, 1979, p. 7
57. Michael Wines, "At the Capitol, Selling Health Plans Like Snake Oil" New York Times, Oct. 28, 1993. p. A10.

POSTSCRIPT

Cohen and the Prevailing American Social and Political Philosophy, 1970s to 1993

Cohen believed in the liberal-democratic American political process of divided powers - legislative, executive, judicial - one person-one vote, periodic elections, and the two party system. He essentially accepted the private competitive enterprise for goods and services in general. He looked to government, however, as the main agent to protect people from threats of loss of income due to unemployment, medical care costs, disability, widowhood, and age at retirement. Government was to provide a relatively high level of support for each citizen that private agencies could supplement on a voluntary basis. Social insurance financed by payroll deduction was eventually to eliminate means tested public assistance financed from general revenue. A basic underpinning of the foregoing was public financing of education from kindergarten through graduate school including scholarships as investment in human capital enabling individuals to prepare themselves for the increasingly technical nature of the labor market in a modern complex society. He assumed that increasing productivity and increased GNP would make it possible to finance these welfare state developments and still leave discretionary income for the broad middle class.

In this chapter I attempt to show to what extent at the time Cohen died, the U.S. had attained the social insurance -- welfare objectives he sought. Had the U.S. created the structure in which all his objectives might be attained if there were a political consensus and will to do so? There is the rub - - the “political consensus and will”. How realistic was he to assume that the U.S. would eventually – almost as its historical destiny - have a comprehensive, coordinated, and adequately and equitably funded welfare state so that almost everyone would have a broad middle class standard of living protected from economic risks and poverty below certain poverty

standards? Here I believe he was more of a Utopian than the pragmatist and the incrementalist he always expressed himself as being. He would never be satisfied with approximate and mixed results.

I wish to synthesize selected literature for the last twenty-five years [up to 1993]. This literature is vast, concerning historical and current elements, of the American mind, the American culture, individualism - vs. community, sharing vs. self-interest, and direct participation in government vs. representative government. It has been taking on a tone of considered pessimism rather than the unconsidered social and political optimism of the literature before 1950's. The literature has become more sober, analytic, less sanguine about the human condition. The authors of this literature are younger than my generation. Cohen and I lived through exactly the same periods, but he apparently continued his irrepressible optimism to the day he died otherwise he would not have been attending an international conference on social insurance in South Korea at the age of 73 when no longer in the mainstream of political-policy influence.

I draw on writers during the past twenty-five years by starting out with Arthur M. Schlesinger, Jr. an American history scholar who started to write about the New Deal period when he published *The Vital Center: The Politics of Freedom* in 1949 at the age of 32. He remembers having heard Franklin D. Roosevelt's inaugural speech in March 1933 when he was 15 years old. (I also remember that speech when I was an undergraduate at the University of Wisconsin and 18 years old.)

In his Preface (written in the Forties) Schlesinger wrote: "Since that March day in 1933, one has been able to feel that liberal ideas had access to power in the United States, that liberal purposes in general, were dominating our national policy. For one's own generation, then,

American liberalism has had a positive and confident ring. It stood for responsibility and for achievement, not for frustration and sentimentalism; it has been an instrument of social change, not of private neuroses. During most of my political consciousness this has been a New Deal country.” (pp. vii-viii). Cohen was becoming influential in the government by 1949. But then Schlesinger turns tragic, unlike Cohen and writes: “The twentieth century has relieved us of the illusion that progress is inevitable.” (p. 10) --but not so Cohen, although as described earlier he sometimes wavered. Still, it can be said that the New Deal has survived in the Social Security Act which is being built on slowly and incrementally, and it appears that it is rising in bits and pieces from its origins in the current administration.

The prevailing view of the American political process among political writers is that alignments are fluid, and that there is a constant ambivalence between individual freedom from government and government as a protector of individual economic risks. There is a fear of rigid and dominating bureaucracies, but large bureaucracies and impersonal bureaucracies are necessary for large and impersonal programs. There has been throughout American history, as pointed out by Marone in his *The Democratic Wish*, (possibly a post W.W.II generation product?) that Americans want equality of opportunity, but are afraid of the bureaucratic mechanism and government that implements it. They want individual liberty, but are also afraid of the consequences of unbridled individualism resulting in the erosion of community. Community and individualism are at odds about what he calls the Democratic Wish: “At the heart of American politics lies a dread and a yearning. The dread is notorious. Americans fear public power as a threat to liberty. Their government is weak and fragmented, designed to prevent action more easily than to produce it. The yearning is an alternative faith in direct, communal democracy.”¹

Writers generalize that immigrants to America fled from class-ridden and aristocracy dominated countries of Europe seeking economic opportunity and political freedom. Hence, social solidarity is weak - everyone a free individual. The unbounded physical resources available enabled people of ambition to become owners. The frontier released the surplus energies of the people moving from New England westward. The United States became a federation of states therefore a weak central government pitted against strong states and sectional interests.

Another post W.W. II generation product is Marmor and associates in *America's Misunderstood Welfare State*. In their Preface they reveal the considered pessimism I mentioned previously, but still, we must carry on: "We do not assume that the discarding of outworn shibboleths, by itself will result in the implementation of better social policy. Nor will a better understanding of the commitments and successes of the American welfare state lead increasingly to a better tomorrow. Success in social welfare policy-making is never the result of analytical clarity. The complex federalism of American government and other features of our political life will continue to shape the course of our social policy and to limit possibilities of reform." (Emphasis, mine.)² Relentless negativism in our public debate about social policy adds unnecessary anxiety [Cohen's constant fear] to necessary adjustments. It causes us to undervalue what we have accomplished and inhibits us from measured adaptations of our welfare state to changing circumstances."³

Marmor and associates go on to point out that the use of a slogan like "war on poverty" implies either winning or losing and leaves no room for "mixed outcomes" except as failure.⁴ They list four interesting "visions" of the welfare state in the United States which operate at cross-purposes befuddling rational debate, paraphrasing:

1. Behaviorist – to induce the poor to behave in a more socially acceptable manner – the individual is at fault. (Cohen said educate them).
2. Residualist – a safety net for a constant minority needing temporary assistance (Cohen hoped to eliminate them).
3. Social insurance – to provide economic security as a right related to payroll contributions without a means test (Cohen would use social insurance to accomplish this).
4. Egalitarian – populist – the latent underpinning for the values behind the welfare state provisions, which surfaces and recedes depending on the liberal—conservative swings in politics. Equitable (just) treatment, not equalizing of incomes, is the controlling standard.⁵ (Cohen was a populist in the Progressive tradition.)

In addition Marmor, *et al* write: “. . . the model of redistribution is not so much intended to be between socioeconomic classes as over the life cycle of individuals and their families. The relevant question for the proponents of social insurance involves the adequacy of the citizenry’s preparation for the predictable risks (emphasis mine) of modern industrial society,”⁶ i.e., as I have listed earlier the loss of income for various contingencies. *

Gronbjerg and associates attribute resistance to reform to the pluralism of American politics, the large number of interest groups that makes consensus politics difficult⁷: “Two public philosophies seem to have developed: a progressive one emphasizing reform and a regressive one stressing deservedness. In short we have theories of both the carrot and the stick. Though, in general, the former is associated with liberals and the latter with conservatives, the two strategies have been adopted rather opportunistically [i.e., pragmatically]. Neither has been uniformly successful.”⁸ “The liberals are apt to respond quickly to each separate disturbance with separate programs. The conservatives tend to entail each program with so many conditions that it begins to look like a probationary program for a recently released criminal.”⁹ In their view the result is relative deprivation and alienation and thus Americans seldom trust their government.

* I take pride in pointing out that both Morone and Marmor were on my research staff in the Center for Health Administration Studies, University of Chicago. Morone was then graduate student in political science, Marmor an Associate Professor in The School of Social Service Administration.

Another acute and troubled observer is Nathan Glazer in his *The Limits of Social Policy* (1988); he has come to the conclusion that this country has been promised more than can be delivered by government. He has pondered and written cogently on policies in housing, health, and social welfare. He summarizes his views on these problems:

In our social policies we are trying to deal with the breakdown of traditional ways of handling distress. These traditional ways are located in the family primarily, but also in the ethnic groups, the neighborhood, and the church. 2. In our efforts to deal with the breakdown of these traditional structures, our social policies are weakening them further and making matters in some important respects worse. We are making no steady headway against a sea of misery. Our efforts to deal with distress are themselves increasing distress.

Whatever our social success by some measures in dealing with a social problem, it seemed that discontent steadily increased among the beneficiaries of these programs, those who carried them out, and those who paid for them, particularly in the 60's when we were doing so many things to improve matters. We were enmeshed in a revolution of rising expectations, a revolution itself fed by the proposals for new social policies.

My point is not that we either cannot or should not raise taxes and use the arms budget for better things. Those matters should be argued independently. It is when we look at projected needs and at the experience of other countries, we know that even with a much smaller arms budget and much higher taxes, social demands will continue to press on public resources. And we may suspect that needs will be felt then as urgently as they are now.

[Do] I have a solution? I began by saying that the breakdown of traditional modes of behavior is the chief cause of our social problems. I am increasingly convinced that some important part of the solution to our social problems lies in traditional practices and traditional restraints. Since the past is not recoverable, what guidance can this possibly give? It has two forms of guidance: first, it counsels hesitation in the development of social policies that sanction the abandonment of traditional practices and record, and perhaps more helpful, it suggests that the creation and building of new traditions, new versions of old traditions, must be taken more seriously as a requirement of social policy itself.¹⁰

Would Cohen agree? In substance yes, he wanted to buttress the nuclear family not only with money but also social work counsel. He had a sense of community as well as being a cosmopolitan.

I might add my own related ideas not made specific by the foregoing authors. Except in the Great Depression of the Thirties, only a minority of the population - say at most, 20 percent-

have been below the poverty line. This country began developing a broad middle income class in the latter part of the Nineteenth Century following the Civil War. The United States experienced an economic and industrial expansion as had never been witnessed in the world and thus relative to the European countries had a much smaller poor and a working poor class than these countries; probably as many as 75 percent of the population in Europe were working and poor non-working. The middle class was relatively small. Coupled with a socialistically oriented working class European countries had a swing vote base which induced the upper class power structure to enact the beginnings of the welfare state - old age pensions, health insurance, unemployment insurance - much earlier and “spike the socialist guns”. In this country social insurance legislation was enacted during the Thirties when the broad middle class was threatened by unemployment and home mortgage foreclosures. Even today in the United States welfare state type legislation is not enacted until the middle class is threatened. The poor in this country are a minority with little political clout unless middle and upper middle class leaders and intellectuals act as friends in court on their behalf. In this country the poor are a nuisance, we wish they would go away.

Cohen was conscious of the need for middle class support in order to enact social legislation. A case in point in 1965 was the enactment of Medicare for the elderly, and today some form of universal health insurance because costs of health services are threatening middle class family solvency, and for business firms profit margins are threatened.

In an article in 1986, referred to earlier, Cohen reminisced: “The absence of a radical left wing program really constrained debate and our consideration of options [Medicare]. If the socialists had advocated something much more radical [and they were few and not influential] it would have presented a counterbalance to the conservative point of view and generated a better

middle-of-the-road position.” [i.e., some form of universal health insurance]¹¹ Cohen was not a socialist, but apparently he would have liked the country to have had a more influential left than the liberal left of the democratic party. He apparently felt that the contemporary middle of the road was too far to the right, hence no national health insurance, but Medicare. In this connection Davis in his book, *FDR; The New Deal Years, 1933-1937* (1986) pointed out that the people involved with Witte on the Committee for Economic Security, avoided socialistically inclined experts like Abraham Epstein and I.M. Rubinow who wanted a centralized welfare state socialist model promoted by European socialists. Both A. Epstein and I.M. Rubinow were intellectual immigrants with a socialist tradition. Davis in his research saw letters from Tom Corcoran, an FDR adviser, to Felix Frankfurter, a Supreme Court justice noting that “The Epstein crowd was too wild.”¹²

Still, President Johnson was far to the left in the American political context. In his book, *The Vantage Point* (1971) written after he left the Presidency, he said:

The Great society was never, in my mind, just a visionary utopian ideal. I considered it a realistic outline of what this nation could achieve in a limited period of time if we marshaled our will and committed our resources.

At the heart of it, I thought of the Great Society as an extension of the Bill of Rights when our fundamental American rights were set forth by the Founding Fathers, they reflected the concerns of a people who sought freedom in their time. But in our time a broadened concept of freedom requires that every American have the right to a healthy body, a full education, a decent home, opportunity to develop to the best of his talents, i.e., economic freedom.¹³

I call this radical in the American context because rights to job, health and a decent home require the use of government to assure people a decent standard of living. A right to education, however, is in the American mainstream of values in order for people to have the skills and capacity to take advantage of opportunities in a capitalist economy. The United States is historically unique among liberal democracies in stressing education supported by taxes, an

investment in human capital for the good of the individual and the economy – a non-paternalistic method. In Europe public support of education came relatively late. Public support of pensions, unemployment insurance and public assistance preceded public education as an expression of traditional upper-class philosophy of noblesse-oblige, a tenuous continuation of the master-servant structure from the Middle Ages.

In a fascinating biography of Lyndon Johnson by Doris Kearns: *Lyndon Johnson and the American Dream* (1976) she notes that Johnson embodied the relatively non-ideological characteristic of American politics to an extreme. He told her that he “had a general distaste for ideology.”¹⁴ “The biggest danger to American stability,” Johnson argued according to Kearns; “is the politics of principle, which brings out the masses in irrational fights for unlimited goals, for once the masses begin to move, then the whole thing begins to explode. Thus it is for the sake of nothing less than stability that I consider myself a consensus man.”¹⁵ (LBJ invited Kearns to write his biography. She had spent much time on the White House staff as a political science Fellow. She was invited by LBJ to move with him to his Texas ranch where she spent several months listening to his hours- long monologues beginning at six o'clock in the morning).

The Congressional budgetary process is directly reflected in the pluralistic political process which, in turn, reflects pluralistic power centers in a plethora of interest groups pushing their relatively narrow special interests both within and outside of the Congress. Wildavsky describes this brilliantly in his book *The Politics of the Budgetary Process* (1984). One can despair of there being a rational budgetary process in Congress as well as in the states, but still there is a pattern based on incremental decisions over the years. The budgetary decisions, as shown by Wildavsky are not scientific technocratic decisions. They are political decisions based on the relative power of interests in the Congress. He writes: “If the annual budget no longer is a

prediction of events, so that participants cannot count on receiving whatever is included for them, they have less reason to moderate their demands for higher spending.”¹⁶ (i.e., so what are several billion dollars more or less?) “Once enacted, a budget becomes a precedent; the fact that something has been done once vastly increases the chances that it will be done again.”¹⁷

Budgeting is complex because modern life and its demands are complex.

As for scientific analysis of budgets: “Work load data of cost - benefit analysis has been developed to some degree. A close look at this kind of criterion, however, shows that most of the standards are not directly based on intrinsic merit - as an ideal cost-benefit analysis might be - but an ‘extrinsic’ criterion such as limits beyond which Congress will not go.”¹⁸ Congress then “satisfices”, to use Simon’s famous concept, by a relatively low common denominator of comprise at a given time.

“Limits on total spending do not guarantee budgetary control, but without limits on total spending there can be no control.”¹⁹ The agreement on the bottom line according to Wildavsky, because of the sheer complexity, requires trust.²⁰ The current consideration of a constitutional amendment to forbid deficits is a sign of the desperation in the Congress and the country. In the health services arbitrary limits on expenditures implemented in Canada and United Kingdom and considered in the United States are related examples.

I will end citing the work of the political analyst James L. Sundquist of the Brookings Institution. I find him more congenial to my view of the American political style and process than most other political analysts I have read. Another favorite is Lindblom of Yale University.

I select Sundquist because of his specific reference to the Eisenhower, Kennedy, and Johnson administrations. Lindblom introduced me to the concept of synoptic planning vs. incremental planning. Synoptic planning is not possible because we cannot realistically know

enough about the complexities of social and political systems, hence we resort necessarily to incremental planning over time with limited knowledge, the method intrinsic to liberal democracies.²¹

Sundquist describes the incremental process in detail for the administrations he considers which are the same ones Cohen experienced: The Eisenhower administration from 1953 to 1956 and the Kennedy-Johnson administrations from 1961 to 1969.

I believe Cohen was theoretical enough in his view of liberal democracy and how it solved or did not solve social problems so that he would agree with Sundquist's analysis, although Cohen made few references to what he read along that vein. Scholars did send him manuscripts now and then about the workings of government regarding social security for his comments. He would, it seems, always respond by correcting errors of fact and in his view misinterpretation of what actually took place and why.

Sundquist wrote as an overview of the three administrations mentioned of the liberal-democratic process particularly in the United States: "Every democratic government seeks to strike a balance between the opposing principles of action and restraint, of innovation and stability. Incapacity to act can destroy governments, but so can rash and imprudent action; and minorities as well as majorities must be protected. Of all the major democratic governments in the world, however, the United States government is the one that gives to minorities in the legislative process the most devices by which to obstruct and thwart majorities."²² ...As every politician knows, the average voter feels no compulsion to be consistent."²³

(Cohen lost supporters in the Congress because they were not reelected.)

Sundquist sees an advantage in the separation of powers: "If the separation of powers in the American system makes the processes of action cumbersome and sometimes tediously slow,

it also contributes vitality through assuring a series of independent centers for the generation of ideas and creative energy.”²⁴ (Cohen was occasionally one such center in and out of government.)

“But because the governing party stands either to the left or right of center, it finds itself in a state of permanent disequilibrium with the electorate. It is either moving too fast and doing too much - the pitfall of the Democrats - or moving too slowly and doing too little, the bane of the Republicans.”²⁵ (Cohen experienced these swings.)

Continuing: “The basic cleavage in American politics between the activists (Sundquist’s term rather than ideological liberals many of whom in Sundquist’s view were pragmatists) and the conservatives can be defined, then, as a matter of tempo. It is a division, essentially, between those who want to move rapidly toward their vision of a good society, even at the risk of errors of commission, and those who would minimize the risk - but in turn risk errors of omission - by moving more slowly. The basic cleavage between the two parties can be seen as a division of voters along the activist- conservative spectrum, with the party identifiers overlapped, but clearly centered on either side of the spectrum’s mid-point”²⁶ Cohen was an activist playing both sides of the aisle depending on which side the pressure was needed at a particular time. Sundquist asks rhetorically, “But what is the proper balance?”²⁷ I think Cohen’s answer was “Let’s find out.”

Sundquist noted that Washington was full of interest groups representing various constituencies throughout the country, but operating in the capitol: “Their function was to transform general ideas into specific, practical, and timely legislative proposals.” “Practicality is attained by putting an idea into the habit patterns of the legislative process, by clothing novel ideas as just another application of the ‘time tested’ social security principle, and aid for college

construction first reached the Senate floor as a simple extension of the college housing program. ...”²⁸ (Cohen built on familiar precedents all the time.)

Finally, Sundquist describes the process of “building the [political record]”. The communication process involves a combination of “factual education” and “emotional advocacy”. He notes that the dialogue has several levels that are distinguished by the relative proportions of these ingredients:

1. The expert level: analysis in factual terms. Cohen excelled at this level.
2. The political leadership level: where the factual analysis is “blended” with emotional appeal. Here is where President Johnson came in. Cohen did some of this in public speeches.
3. The campaign level: where the emotional argument is emphasized and the factual argument reduced to “a few symbolic words and numbers.” Cohen helped at this level, but was not on the forefront.

MY OBSERVATIONS

Finally I will present an overview of what I perceive as the major characteristics of the value system Americans in general hold regarding social insurance and public assistance, the right to pensions and welfare, and the role of the means test. I will draw on my impressions from the literature and my own observations and experiences as an academic writer and observer. These experiences span my undergraduate days at the University of Wisconsin-Madison during the depression of the Thirties, World War II, post-war affluence, recession in the Eighties and current times [until 1992].

What are the prospects for the attainment of all of Cohen's objectives as he seemed to believe was possible given the swings of liberalism and conservatism every thirty years. Cohen was an academician during 1971-1978 (Nixon-Ford), through 1978-1982 (Carter), 1982-1987 (Reagan). Cohen died in 1987 three years before [the senior] Bush became President in 1988. He experienced the full brunt of the conservative swing with great distress and helplessness.

It seems that the continuing and major obstacle to creating a welfare state on the Cohen model in this country is the idea that tax supported public programs from payroll deductions to personal income tax should be a matter of right without a means test to separate the poor from the rich. Tax supported programs still live under the tradition of the means test as a privilege and not a right to financial assistance. The Social Security pensions system which tries to combine both adequacy and equity is still not understood by citizens in this country, and when understood by conservatives and most economists and business people they are opposed to such a mixture of objectives in what is called insurance.

At the heart of the American ethos and value structure there is the belief that individuals who contribute to public or private pensions should get back what they put in as actuarially determined and by contract. The "insurance -- not insurance" debate in Social Security continues. Under the Reagan administration, one-half of a social security pension for an individual or couple became taxed as income for pensions above a taxable income in order to help stave off bankruptcy of the Social Security Trust Funds.

There are people like former Governor Lamm of Colorado who believe that pensioners who are millionaires should not get the full social security pension because they do not need it, hence use it to reduce the national debt. He thinks the same holds true for millionaires among the

elderly and Medicare. Why subsidize the rich? They do not understand or accept the concept of contributory pensions scaled to income as not being a subsidy.

The stunning exception to this view as alluded to earlier is “free” education for everybody as a matter of right through high school, an investment in educated citizens and labor force. The controversy here is that education is financed largely by the property tax rather than personal income tax.

The means test concept permeates welfare programs thinking: An underclass is being created who are becoming permanent recipients of handouts in the form of aid to families of dependent children with a dead or, more likely, an absent father; The number of children born out of wedlock has increased enormously. Many Americans think: *Get these mothers out to work who are accused of having babies to have an income from welfare; Everyone should earn his or her own way unless they are blind, or severely disabled, and mentally ill.* These values persist strongly in the American value structure, and particularly in a period when public treasuries are being depleted.

Government in this country will likely continue to be regarded as another interest group among interest groups and reacted to as such. There is an historical ambivalence to government really as protector against personal economic misfortunes. It is commonly held that the safety net should be limited, or as President Reagan said for the “really poor”.

Americans do not like to pay taxes. Citizens in all liberal democratic countries do not like to pay taxes either, but they have a higher tolerance level having established their welfare state programs earlier bit by bit incrementally. But they are also becoming restive. Sweden’s shift to a conservative coalition government a year ago [1991] was the result of a tax revolt.

The American ethos and value structure continue to support competition in one form or another because Americans want choices in all goods and services including medical care. Government inherently is unable to assure the choices people want because people do not want to be taxed that much. They would rather, I believe, have high priced choices rather than low priced government no-choices—a low common denominator for everybody.

These American values are already resulting in a tiered system of health services and health insurance options even under an impending possibility of universal health insurance when the uninsured may be covered in the next five years. Employers will be mandated to cover their uninsured employees with small firms likely subsidized to form pools because each firm is too small to form its own risk pool.

Out of this will come universal health insurance with choice of delivery systems and even types of services resulting in a three-tier system. There will be managed care (the name which has replaced the conventional Health Maintenance Organization (HMO) concept at three tiers of price and comprehensiveness):

1. The lower class tier at a low price will provide convenient access to a general-and family practitioner as a primary care gatekeeper who will refer to specialists as indicated appropriate; waiting lists if demand is great for non-lethal conditions such as hip-replacement, cataract removal and lens replacement, and similar conditions, and convenient access to general hospitals for acute care and emergencies.
2. The middle class managed care tier will provide at a higher price, convenient access to both a general practitioner and specialist directly, but encourage use of

the general practitioner first, limited waiting list if any, and quick access to hospitals for acute care and emergencies, and at a required price.

3. The upper class tier will be completely open at a much higher price like the old mainstream system before managed care. There will be a private insurance market for this segment of the population which I would guess to be at least 20 percent of the population, or 50 million people.

How would the above be financed? Employers, employees, and government with choices as determined by the employees' willingness to pay part of the premium. The poor will continue to access to health care by Medicaid buying into managed care plans.

As for long-term care, it will be some years before this country is willing to raise enough taxes to take over the non-poor segment of the population. Therefore, the "spend down" method of paying for long term care by people who are not eligible for Medicaid until they reduce their net worth considerably will continue. It is likely that the total of net assets permitted before Medicaid will be increased as a political accommodation to the broad middle class particularly for widows who are left financially stranded after the death of a spouse.

What would Cohen think of this scenario? He might well accept it as long as it appears to have a dynamism resulting in a welfare state model that he envisioned.

Having experienced the liberal euphoria of the Roosevelt and Truman administrations for twenty years and the comparative conservatism of the Eisenhower, and again the liberal euphoria of the Kennedy-Johnson administration, 1960-1969 and again the conservatism of the Nixon-Ford administration, 1970-1978, and then the mild liberalism of the Carter administration, followed by the solid conservatism of the Reagan and Bush administrations, and now the cautious liberalism of Clinton-Gore administration, I must conclude that America is essentially a

cautious liberal-democratic polity, only a deep crisis will arouse it. Now, the health services cost crisis is one such. The coals of the New Deal rhetoric are being blown on again. Will they burst into flames?

References

1. James A. Morone. *The Democratic Wish: Popular Participation and the Limits of American Government*. New York, Basic Books, 1990, p. 4.
2. Theodore R. Marmor, Jerry L. Mashaw, and Philip L. Harvey. *America's Misunderstood Welfare State: Persistent Myths, Enduring Realities*, New York, Basic Books, 1990. p. xiv.
3. Ibid, p. xv.
4. Ibid, p. 3.
5. Ibid, p. 23.
6. Ibid, p. 27.
7. Kirsten Gronbjerg, David Street, and Gerald D. Suttles. *Poverty and Social Change*, Chicago, University of Chicago Press, 1978, p. 6.
8. Ibid, p. 13.
9. Ibid, p. 29.
10. Nathan Glazer. *The Limits of Social Policy*, Cambridge, MA., Harvard University Press, 1988, pp. 3, 3-4, 5-6, 8.
11. Wilbur J. Cohen, "Random Reflections on the Great Society's Politics and Health Care Programs after Twenty Years." In: Marshall Kaplan and Peggy Cuciti, eds. *The Great Society and Its Legacy: Twenty Years of a Social Policy*, Durham, NC, Duke University Press, 1986, p. 118.
12. Kenneth S. Davis, *FDR: The New Deal Years, 1933-1937; A History*, New York, Random House, 1986. p. 449.
13. Lyndon Baines Johnson. *The Vantage Point: Perspectives of the Presidency, 1963-1969*, New York, Holt, Rinehart and Winston, 1971, p. 104.
14. Doris Kearns. *Lyndon Johnson and the American Dream*, New York, Harper and Row, 1976, p. 153.
15. Ibid, p. 154.
16. Aaron Wildavsky. *The Politics of the Budgetary Process*. 4th ed., Boston, Little, Brown, 1984. p. xi.
17. Ibid, p. 3.
18. Ibid, p. 46.
19. Ibid, p.279.
20. Ibid, p. 74.
21. See Charles E. Lindblom, "The Science of Muddling Through" American Political Science Review 19:79-88, Spring 1959 and David Braybrooke and Charles E. Lindblom, *A Strategy of Decision: Policy Evaluation as a Social Process*, New York, Free Press, 1970.
22. James L. Sundquist, *Politics and Policy: The Eisenhower, Kennedy and Johnson Years*. Washington, DC, The Brookings Institution, 1968, p. 9.
23. Ibid, p. 441.
24. Ibid, p. 495.
25. Ibid, p. 501.
26. Ibid, p. 500.
27. Ibid, p. 510.
28. Ibid, p. 393.